

PROGRAMME
OF
**THE AGRARIAN
REFORMS COMMITTEE**

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*Report
of
The Agrarian
Reforms Committee*

THE AGRARIAN REFORMS COMMITTEE
HYDERABAD-DECCAN.

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CHAPTER I

INTRODUCTORY

In G. O. No. 15 dated 2nd June 1949 of the Revenue Department, the Government of Hyderabad appointed the Agrarian Reforms Committee, with Pradhanasiromani N. Madhava Rau, B.A., B.L.C.I.E., as Chairman, Mr. Gulam Hyder, H.C.S., and Dr. R. V. Rao, M.A., B.T., Ph. D., Reader in Economics, Nizam College as Members and Mr. M. Srinivasa Rao, B.A., M.L., as Secretary. Mr. K. Vasudeva Rao, B.A., Second Talukdar, Warangal joined the Committee as Joint Secretary on 14th June 1949. The Government order reads as follows :

“The problem of promoting prosperity and contentment among the agricultural classes in the State and of improving the agricultural economy, has been receiving the continuous attention of the Hyderabad Government. Although the general pattern of land tenure is Raiyatwari nearly a third of the area of the State is outside Government control. With a view to levelling up the standard of administration in the non-Diwani areas the administration of Sarf-e-Khas has been taken over and integrated with the Diwani. The question of taking over the administration of Jagirs is already on hand. A review of the working of the existing laws for the amelioration of the condition of the agriculturists, such as The Moneylenders Act, The Debt Conciliation Act and The Asami Shiknis Act has revealed that these measures have not yielded the results expected of them. Frequent complaints are being received from raiyats of forcible eviction of agricultural tenants, rack-renting and unauthorised occupation of lands. These ills cannot be cured without improvement in the adjustments of the rights and liabilities of the different classes of agriculturists. The solution of this problem raises issues relating to the distribution of agricultural land, the size of agricultural holdings, the determina-

tion of reasonable rents and the measures to be taken to deal with the uneconomic holdings. Government consider that a Committee should be appointed to investigate these questions".

TERMS OF REFERENCE

The Committee was asked to investigate and recommend measures to be taken to promote agricultural production and to secure peace, contentment and security of tenure among the peasantry and in particular :

1. To examine the question of placing a ceiling on the size of agricultural holdings having due regard to the local conditions and the disposal of the land in excess.
2. To recommend the measures to be taken to deal with the uneconomic holdings by compulsory consolidation, co-operative farming or otherwise.
3. To examine the existing provisions of the Tenancy Law in the State and to suggest modifications and amendments with a view to secure fixity of tenure to the tenants and to improve the relationship between the landlord and the tenant.
4. To examine the working of the Prevention of Land Alienation Act and to report whether the Act should be continued in its present form and to recommend such modifications as may be deemed proper in the light of the present day conditions.

A comprehensive questionnaire was formulated by the Committee and was issued to the public with a view to eliciting their views on the several matters coming up for consideration. The questionnaire was translated into the local languages ; Telugu, Marathi, Canarese and Urdu, and was widely distributed to the public and Government Officials.

The Committee received from the public and organisations 495 memoranda.

The Committee toured for 23 days in the districts of Nalgonda, Warangal, Nizamabad, Karimnagar, Medak, Nanded, Aurangabad and Gulburga. They examined 203 persons including the Heads of the Development Departments and recorded their oral evidence at:

Hyderabad, Warangal, Nalgonda, Nanded, Aurangabad and Gulbarga.

In all, the Committee held 61 sittings.

The Plan of the Report

All the subjects covered by the Terms of Reference have been arranged under the following heads:

- i. Land Revenue.
- ii. Tenancy.
- iii. Size of Holdings.
- iv. Rural Indebtedness and Credit Facilities.
- v. Agricultural Production.
- vi. Animal Husbandry.
- vii. Cottage Industries.

The Report is divided into two parts, the first part contains the factual data and measures taken so far. The second part gives a brief review of the present position together with the recommendations on the questions referred to by the Government.

Chapter II contains a brief description of land revenue system and is intended to give a proper background to the agrarian problem of the State.

In Chapter III the various forms of tenancy, the rise and growth of tenancy and absentee landlordism and measures taken so far to safeguard the rights of the tenant are reviewed.

Chapter IV contains a resume of the Tenancy Legislation in other parts of India. Chapter X contains the recommendations of the Committee for the reform of the system of tenancy and of landholding.

In Chapters V and XI on the Size of Holdings the points discussed include, the factors governing the fixation of an economic holding, the minimum size of a holding for purposes of consolidation and efficient agricultural production, the question of placing a ceiling on agricultural holdings, the desirability of voluntary consolidation and the necessity of compulsory consolidation, the advantages of co-operative farming and the ways and means of introducing the same.

Chapters VI and XII deal with the volume of Rural Debt and the effects of rise in prices of agricultural commodities; the working of The Moneylenders Act, The Debt Conciliation Act and The Prevention of Agricultural Land Alienation Act is reviewed therein. The recommendations of the Committee in respect of alienation of agricultural lands, including the prevention of alienation to non-agricultural classes are contained in Chapter XIII: dealing with agricultural credit, the need for additional credit facilities, the establishment of Land Mortgage Banks and Multi-Purpose Co-operative Societies. is discussed.

Chapters VII and XIII on Agricultural Production review the work done so far under the "Grow More Food Campaign" and also the Five Year Plan under contemplation. The short and long range Schemes of the Irrigation Department have been dealt with special reference to priorities.

Chapters VIII and XIV on Animal Husbandry contain a review of cattle resources of the State which of late have deteriorated. Some recommendations for the improvement of live-stock and Dairy Industry are given in Chapter XIV.

In Chapters IX and XV on Rural Industries the necessity for providing the peasantry with subsidiary occupations is stressed and suggestions made for starting or developing useful Cottage and Small Scale Industries.

For the sake of greater definiteness, the recommendations of the Committee are presented separately in the shape of two Draft Bills.

We wish to place on record our appreciation of the work of Mr. M. Srinivasa Rao, Secretary and Mr. K. Vasudeva Rao, Joint Secretary of the Committee. They had to work for long hours and showed conspicuous ability in the discharge of their duties. Mr. Srinivasa Rao's knowledge of law and aptitude for Legislative drafting and Mr. K. Vasudeva Rao's knowledge of local conditions and Revenue Administration have been of great help to the Committee.

The work of the staff throughout has been done under great pressure and as such deserves special mention.

PART I

CHAPTER II

LAND REVENUE SYSTEM IN HYDERABAD

Introduction

Before discussing the Tenancy problems in Hyderabad it is necessary to give a brief description of the Land Revenue System, with particular reference to various kinds of land tenures.

Apart from certain special features to which a reference is made in the following paragraphs, the Land Revenue Administration in Hyderabad resembles and in fact, is based upon the system of Raiyatwari Tenure in the Provinces adjacent to the State.

Diwani or Khalsa Lands

2. The lands of the State may be broadly divided into two groups according to the nature of the arrangement for their revenue administration.

- i. Lands which are under the direct management of Government, and the revenue from which goes to the Government treasury. These lands are called Diwani or Khalsa lands.
- ii. Lands, the revenue of which has been wholly, or partially, assigned for some special purpose.

Sarf-e-Khas Lands

3. Lands of the second group may further be divided into the following two classes :

- i. Sarf-e-Khas lands, which were till recently the property of H.E.H. the Nizam, and the revenue of which was a contribution to his privy purse. These lands were merged in Diwani in February 1949. The Sarf-e-Khas territory which comprised

of 1961 villages, covering an area of 8000⁴ q. miles, has now become an integral part of the State, and the distinction between Diwani and Sarf-e-Khas has been abolished.

- ii. Lands which have been the subject of State grants, and the revenue from which has been assigned wholly or partially as Jagir or Inam in favour of some person or persons.

Jagirs

4. A brief description of the various categories of jagirs, and the system of land tenures in jagirs, is given in the subsequent paragraphs under the headings, "Non-Khalsa Lands." It is however necessary to mention here that the status of Jagirdars in Hyderabad is quite different from that of the Zamindars in the permanently settled areas of the Indian Union. It has been observed by the Jagir Commission of 1947 that "The Jagirdars in Hyderabad do not have any right to the soil. They are entitled only to the revenue accruing due from the land". In addition to collecting land revenue of a particular tract of land assigned in their favour, the Jagirdars had jurisdiction over Excise, Forests and Fisheries within the Jagirs. Most of them were exercising Judicial and Police powers as well. These powers were gradually curtailed, and finally extinguished in 1947, as a first step towards implementation of the recommendations of the Jagir Commission of 1947.

Raiyatwari Tenure in Diwani

5. Diwani Lands as well as most of the Sarf-e-Khas lands are generally held on the purely Raiyatwari tenure. Over 20 million acres or nearly 60% of the State area is held by landholders on this tenure. With the addition of Sarf-e-Khas lands, nearly 70% of the total area of the State is now directly under Government control. The system of Survey and Settlement of raiyatwari lands and the principles of land revenue administration are laid down in the

Hyderabad Land Revenue Act of 1317 F., which was drawn up on the same lines as the Bombay Land Revenue Code V of 1879.

NOTE : A departure from the Bombay system was made in Telangana in so far as a higher wet assessment was levied on lands under tanks, but provision was made for remissions, if land remained uncultivated for reasons beyond the control of the cultivator. Largest possible Ayacut was fixed under tanks in view of the provision for remissions. Village officers and Revenue Inspectors had a large scope for corrupt practices on account of these annual remissions. Orders for limitation of Ayacut have recently been passed. Lands which remained uncultivated for any four years in a decade will be excised from the Ayacut.

Under this system, each field is considered a holding, technically called a "Survey Number". The landholder is called the "Registered Occupant" or "Pattedar" or "Khatedar". The right of occupancy depends on the regular payment of assessment by the Pattedar. Assessment is determined separately for each field or survey number, and is subject to revision only after the lapse of a fixed period for which settlement is announced.

The Revenue Act recognises that the pattadar has a right to cultivate his land and raise any crops he wishes to (or leave it fallow) erect farm buildings, to construct or to repair wells within his holding.

On the death of a registered occupant the next rightful heir or the principal among several joint heirs is entered as the registered occupant of the holding, the other heirs being entered as partners. A pattedar may relinquish his land by giving due notice of his intention or he may sell or transfer his right, subject to the provisions of the Prevention of Land Alienation Act of 1940.

Cultivating Tenures

6. Theoretically, the raiyatwari tenure does not contemplate any middleman between the landholder and the State, yet as the registered occupant need not always and necessarily be the actual cultivator, certain tenures inferior to that of the registered occupant (pattedar) based on contract, or custom, do occur in Raiyatwari villages. The forms in which land is actually held and worked under the raiyatwari system may be classified as below :

- i. **Pattedari:** Pattedari or simple occupancy, where the occupant cultivates personally or through hired labour.
- ii. **Pot-Pattedari:** Pot-pattedari, in which two or more cultivators hold a joint patta. The pattedar can neither evict the pot-pattedar nor enhance the assessment payable by him.
- iii. **Shikmidari:** Shikmidari, where the occupant makes over the land to cultivators on certain terms. Such cultivators are known as shikmidars, and they cannot be evicted as long as they carry out the terms of their agreement with the registered occupant.
- iv. **Asami Shikmis:** The Asami Shikmis are tenants-at-will. In 1354 F. the Asami Shikmis Act was enacted on the lines of the Bombay Tenancy Act, 1939, to protect the interests of such tenants. The provisions and working of this Act are fully discussed in chapters III and X.

Record of Rights

7. For maintaining an up-to-date record of all rights in land, the Record of Rights System was introduced in the State under Act No. 1 of 1346 F. Very little work seems to have been done so far, in the way of preparation and maintenance of Record of Rights. The Act has been enforced

in only 19 out of 108 Diwani Taluks. Even in these few Taluks, the work of Hissa Survey has not been completed. Mutation work has not been done where Hissa Survey has been completed. The statements of Land Revenue demand are prepared according to the old Setwar, without reference to the Record of Rights, with the result that nominal pat-tedars in preference to actual occupants are held primarily responsible for payment of Government dues. In the absence of this Record, which forms important evidence in settlement of tenancy disputes, no tenancy law however comprehensive it may be, can work satisfactorily. Steps, we understand, are being taken to remedy this state of affairs.

Other Tenures of Land

8. Besides the Raiyatwari tenure there are other tenures of Khalsa land namely Pan-maqta, Tahud or Sarbasta and Ijara.

- i. **Pan-maqta:** Pan-maqta is a kowl or tenure by contract in which lands were given to the holders on a fixed quit rent without liability to enhancement. The rights of these holders were examined by the Inam Commission, and only such as were proved to be valid were confirmed to the holders.
- ii. **Tahud or Sarbasta:** Prior to the introduction of the Raiyatwari System, the land revenue of the State together with certain other cesses used to be farmed out to contractors. This system was called "Tahud". If the revenues were farmed out to a influential resident of the district, as was frequently the case in Telangana, the transaction was termed 'Sarbasta' or "Bil-maqta". The Tahud or Sarbasta tenure was a lease for a specified period, and the amount to be paid was liable to alteration after the expiry of the period of kowl. This system was abolished by Sir Salar Jung I, as it proved prejudicial both to the peasantry and the Government.

iii. **Ijara** : The Ijara tenure was introduced by Sir Salar Jung I, with a view to repopulate deserted villages and to bring under cultivation large tracts of cultivable land which were lying waste. Under this system, land was assessed at light rates subject to progressive increase till full assessment was reached, the period of concession varying from five to thirty years, and in some cases extending to forty years. After the expiry of the concession period the land was fully assessed. This system was also abolished in 1318 F. (1909 A. D.)

Non-Khalsa Lands

9. The most important of this class of lands were the Sarf-e-Khas lands, which as mentioned earlier, have now become a part of Diwani.

Peshkash

It was customary with Muslim conquerors to levy annually a certain fixed amount as tribute from conquered rulers and chiefs. This tribute was called Peshkash. At present there are only three Peshkash guzaras in the Dominions, viz.. the Rajas of Gadwal, Anagundi and Gurgunta.

The tax or quit-rent levied from Pan-maqtas held by local zamindars, who were revenue farmers under previous Governments, is also spoken of as Peshkash. The Rajas of Wanaparti, Jatpole, Gopalpet and Palvancha belong to this category.

Jagir

Jagir Al-Jagir is a free grant of one or more villages as a reward for some conspicuous service rendered, or for maintaining the status and dignity of the grantee. This tenure may be classified under six heads : *Jumma*, *Qurbat* etc

- a. **Paigha or Jamiat Jagirs:** These were originally assigned by the then Ruler, His Highness Nizam Ali Khan Bahadur, to Abul Khair Khan for the maintenance of troops known as His Highness' household troops, and hence they were designated Paigah Jagirs, the word Paigah meaning "stables". These jagirs cover an area of 4352 Sq. miles and are now divided among three branches of the family of the original grantee and are known as the Paigahs of Asman Jah, Khurshid Jah and Viqar-ul-Umra. The condition of Military service is no longer in practice.
- b. **Al-tamga Jagirs:** The word Al-tamga signifies a revenue-free grant made under the Royal Seal. It is a perpetual and hereditary grant, and the right of interest conveyed by it is not transferable by sale, gift or bequest.
- c. **Zat-Jagirs:** Zat-Jagirs are grants of large areas of land for the maintenance of the grantee without any stipulation of service.
- d. **Tankha-Jagira:** Tankha-Jagirs as their name implies, were grants of land made to meet the salaries due to the grantees for service rendered. A large number of these have been resumed or redeemed.
- e. **Mashrooti-Jagirs:** Mashrooti Jagirs were granted for the performance of some definite service, religious, civil or military and are continued only so long as the conditions of the grant are fulfilled.
- f. **Madad-maash Jagirs:** Madad-maash Jagirs are granted either as the sole means of maintenance for the donee, who may be the holder of Mashrooti grant or as a supplement to his other means of livelihood.

Jagirs of the various categories described above comprise 6535 villages and form 30.9% of the total area of the State.

Minor Inams

10. The word "INAM" means a favour or reward. An inam holding is thus a grant of land in which the State has alienated its right to the land revenue, or portion of it in return for the performance of certain duties or as a charitable endowment. Inam lands are found in almost all villages. In some cases the whole village belongs to the Inamdar and is called an Umli. Umlies are included in the definition of a Jagir according to the Abolition of Jagirs' Regulation and have now been taken under Government control. The total number of Inamdars in the state is 83 thousand of which 57 thousand are in Diwani and 26 thousand in Jagirs.

Rights of Pattedars in Jagirs

11. Out of 6535 jagir villages, Survey and Settlement has been introduced in 5398 villages and the remaining 1137 are still unsettled. Lands in settled jagir villages are held on Raiyatwari system, and are administered under the Land Revenue Act. In these villages the raiyats are entitled to the same rights as are enjoyed by Diwani raiyats. Although theoretically the jagirdars were only assignees of Land revenue, yet in various jagirs the cultivators were treated as tenants-at-will. In some jagirs a Nazrana or a premium was collected before granting pattas to old cultivators. Conditions were even worse in unsettled jagirs. Jagirdars seldom granted pattas to cultivators. Land was leased out for fixed periods. Rents were enhanced at the time of renewing a lease. Even old cultivators were treated as only kowldars or laonidars and ejection of old cultivators was not uncommon. With a view to remedy this state of affairs, and to safeguard the position of old cultivating occupants, the Land Revenue Act was amended in 1355 F. (1946 A.D.) and the Government has been empowered to introduce Survey and

Settlement compulsorily in jagirs. The amended Land Revenue Act provides that all cultivators who are responsible to the jagirdar for payment of land revenue shall be deemed to be pattedars, irrespective of whether their names have or have not been entered as such in the jagir records. It is further laid down that with the exception of lands which are personally cultivated by the jagirdar, his name shall not be shown as a pattedar against any jagir land. The principle underlying this provision is that the jagirdar as the alienee of the jagir land revenue is entitled only to the land revenue and has no right in the land.

Land Revenue Administration in Jagirs

12. Although the jagirdars have been collecting land revenue through their officers and agents ever since the grant of the jagirs, yet there was no express legal sanction in respect of the powers of jagirdars for recovery of land revenue. Their authority to exercise powers of revenue recovery was sometimes challenged by raiyats and questioned in law courts. The position was however regularised by the enforcement of the Jagirs Revenue Recovery Regulation in 1955 F. According to this Regulation the jagirdars and jagir officers are empowered to exercise powers of revenue recovery subject to certain effective safeguards.

Abolition of Jagirs

13. The brief description of Land Revenue System given above will show that more than one third of the area of the State was not under direct control of Government for the purposes of Land Revenue Administration. The standard of administration in the alienated areas was far from satisfactory. This state of affairs continued to exist till about the beginning of 1949. In February last, all the Sarf-e-Khas lands covering an area of 8000 sq. miles were merged in Diwani. Very recently the administration of all the jagir and magta villages has also been taken over by Government.

According to the Abolition of Jagirs Regulation of 1949 which came into force on the 15th of August 1949, Government has taken over all jagirs and placed them under a Jagir Administor. Pending final settlement of compensation, administration expenses on a sliding scale varying between $58\frac{1}{3}\%$ and 25% of the revenue of the jagirs will be deducted by Government and the balance will be given to the Jagirdars and the shareholders, if any.

Jagir villages lying within the boundaries of the various districts will gradually be merged in their respective districts and a uniform standard of administration will thus be established throughout the State.

Conclusion

It will be seen from the short description of the Land Revenue System in the foregoing paragraphs that though the Revenue System in Hyderabad did not categorically differ from the Raiyatwari system in the neighbouring provinces, yet the existence of nearly two thousand villages of Sarf-e-Khas under a separate administration and of more than six thousand jagir villages scattered all over the State had created various anomalies in the Land Revenue Administration. Steps were no doubt taken from time to time to introduce ameliorative measures for the jagir raiyats, but the progress was necessarily slow, as is shown by the existence to this day of more than one thousand unsurveyed and unsettled jagir villages. Standard of administration differed from jagir to jagir and in most cases it was anything but efficient. Taking over administration of jagirs, following on the merger of Sarf-e-Khas is a bold step in the right direction. The abolition of vested interests and intermediaries between Government and the cultivator has made the problem of Land tenures comparatively simple. Lands will in future be held only on patta and inam tenures. The problem dealing with the relations of landholders and tenants is discussed in the following chapter.

CHAPTER III

TENANCY (HYDERABAD)

Tenancy under various Tenures

Raiyatwari tenure is the most important tenure in the Diwani area of the State and covers a major portion of the total area of the whole State. This system of tenure sought to bring the state into direct relations with cultivators of lands, without the intervention of any intermediary. Each holding was, therefore, constituted into a separate and independent unit and the land revenue payable was separately settled with individual cultivators, whom the Government found on the land at the time of the introduction of the system. Each cultivator was thus individually made responsible for the payment of land revenue assessed on the plot of land in his cultivating possession. The cultivating occupant of land, with whom settlement of land revenue was entered into, was recognised as the proprietor thereof and was conferred heritable, transferrable and transmissible right. The person so recognised is variously designated as a "Raiyat" or a "Pattedar" or a "Registered occupant" or a "Khatedar". Although theoretically the Raiyatwari tenure did not originally contemplate or recognise the existence of any middle man between the State and the Registered occupant, yet on account of the unrestricted right of transfer which was allowed to the occupant or the pattedar, inevitably in course of time, though in earlier stages imperceptibly, a class of non-cultivating owners or pattedars came into existence. They leased their land to tenants and became rent-receivers.

This development under the raiyatwari system of Tenure was noticed by the FAMINE COMMISSION OF 1879. In paragraph 32 of their Report they observed that, "in consequence of the tendency on the part of those who are recorded as raiyats to sublet their lands or part of them and to live on

the difference between the rent they receive and the revenue they pay to the Government, a considerable class of subordinate tenants is growing up, who have no permanent interest in the land, and who pay such high rents that they must always be in a state of poverty. These subordinates are not recorded or recognised in the Government Registers, but the existence of such a class involves the same evils as we have dwelt on in the case of tenants in Upper India. We think that the question should be submitted to the consideration of local Governments, whether it is contemplated under the land revenue settlement, Government Ryot, should be permitted to sublet their lands, and if so, whether measures should not be taken for recognising the status of such sub-tenants, and recording the area they hold, the rent they pay and the conditions of their tenure".

Absentee landlordism and Tenancy Farming had their origin thus in the later half of the 19th Century. It was during this period that for a variety of reasons, national and international, land became for the first time a commodity of value to be bought and sold in the market as any other commercial commodity. By reason of the peculiar security that land as property affords, it came to get imparted a value greatly inflated and out of all proportion to its yield-capacity. Land, besides an economic value, has always had social and political values of its own. Possession of land has often been a passport for prestige and status, in society. As a cumulative effect of all the above factors, people from all walks of life began acquiring land, not for purposes of cultivation by themselves, but as a source of business or commercial investment. In course of time, this tendency became more and more pronounced, as a result of which land increasingly passed out of the hands of owner-cultivators into the hands of non-cultivating classes like money-lenders and others, who lived mostly away from the land and whose sole interest in the land was the amount of the rent they could get by letting it to others. As time went by, the disassociation between ownership and the cultivation of land

became more and more pronounced and the number of cultivating Pattedars began to decrease progressively.

The growth of tenancy in the non-Diwani areas of the State has had a different history and has come about in three different ways :

1. By the unauthorised claims of the Jagirdar to a right in the soil, whereby he sought to treat cultivators in Jagir areas as mere tenants.
2. By the Jagirdar leasing his Seri lands to others.
3. By the occupants in the Jagir areas sub-letting their lands to others.

All the land tenures in non-Diwani areas, in spite of their differences inter-se, are State grants to either individuals or institutions. The different kinds of state grants are compendiously designated as Jagirs. All of them were only assignments of land revenue of a smaller or larger tract of land. Though thus the grantees or jagirdars as they are commonly called, were only assignees of land revenue and had no sort of right to the soil of the land, they sometimes laid claims to right in the soil and very often exercised such rights by usurpation and started treating the cultivators in the area covered by the grant as tenants, who could be evicted at any time they liked. Though the cultivating occupants of land in non-Diwani areas legally had the same rights which inhere in the cultivating occupants of Diwani areas, their rights in the soil were curtailed or threatened by the unauthorised claims of the jagirdars.

The Tenancy Committee in its Report of 1940, dealing with this question observes, "there are other reasons also why survey in alienated village is not accelerated. Some owners of alienated villages want to treat all cultivators as mere tenants, so that they can enhance the rent or assessment even of old cultivators. This leads to dissensions and the result is retardation of survey operations. There were cases

where when survey settlement could no longer be postponed, the complaint was that jagirdars and makhtedars had manipulated their wasulbaki and jamabandi papers so that many old cultivators were entered in the settlement papers as tenants of the holder of the alienated village or his relatives".

They cite the instance of a particularly bad case of a makhta village in Siddipet taluka, where it was found that the woman mukhtedar's agent, who had entered her service only 4 or 5 years back and who had not an acre of land in the village before, had so managed that land of no less than Rs. 4,880/- assessment was entered in the name of his minor son as pattedar at the time of announcement of settlement in that village, while the names of old occupants were mentioned as tenants, a few weeks before the Tenancy Committee visited the village.

Some jagirdars were also in the habit of insisting upon the payment of nazarana or premium in the shape of one or two years' assessment before they accorded pattedari rights to old cultivators. The Tenancy Committee found that some jagirdars, while they allowed freely pattedari rights to old cultivators, did not permit the pattedars to sell or mortgage the holdings without their permission. This permission was sometimes granted on the pattedar paying nazarana. Some holders of alienated villages were in the habit of exacting this nazarana even for heirship proceedings. There were also cases where the holders of the alienated villages, after giving pattedari rights to cultivators on payment of nazarana, deprived them of these rights later. It was observed in a surveyed jagir village in Gulbarga district, although the land was in the names of cultivators as pattedars, the jagirdar was collecting one year's assessment as nazarana before he recognised the heir of a pattedar.

"Conditions in jagir villages where survey and settlement had not yet been done, things are worse still. The jagirdar calls himself a pattedar of many fields in the

villages, even old cultivators being entered as his "laonidais" or Kowldars. These people are not allowed to sell land cultivated by them."

The State from time to time had to intervene to make the position clear in jagir areas and to safeguard the rights of cultivating occupants. With a view to put an end to the controversy in respect of right to the soil created by the unauthorised claims of the jagirdars, the Government took power to compulsorily introduce Survey and Settlement operations in jagir areas. Finally, the Government by the Amending Act No. 3 of 1355 F. incorporated certain amendments in the Land Revenue Act No. VIII of 1317 F. which declared the respective rights of jagirdars and of cultivators under them.

Sub-clause (2) of section 2 of the Land Revenue Act, as amended statutorily declares that a cultivator in a jagir area stands in the same position as a pattedar in Diwani area under Raiyatwari Tenure.

According to it, "Pattedar" means the person who is directly responsible to the Government for payment of land revenue and whose name has been entered as such in Government records, whether he is personally in possession of the holding or through his "Shikmidar." In the case of non-khalsa lands "Pattedar" means the person who is directly responsible to the jagirdar for payment of land revenue, whether his name has or has not been entered as such in the jagir records, and it includes a person who is directly responsible to the jagirdar for payment of land revenue but was evicted by the jagirdar on or after the 1st Azur 1348 Fasli.

Apart from the above provision, the position has been further clarified by the rules framed by the Government, in exercise of powers conferred under Section 172 of the Land Revenue Act of 1317 F.

Rule 2 of the above rules lays down, "all persons who hold jagir lands and pay revenue direct to jagirdars, shall in

all jagirs, whether settled or un-settled, for all purposes be deemed to be pattedars of the land held by them, notwithstanding any oral or written agreement between the jagirdar or such persons and their rights and liabilities shall be the same as those of pattedars of Khalsa lands".

In Rule 4 it is laid down further, that "the name of the jagirdar or his Hissedar or relation shall not be recorded in the concerned village records as pattedar of any jagir land except land personally cultivated by him. Any pattas in the concerned village records in contravention of these rules shall be cancelled and recorded in the name of the person who has actually held the land".

Rule 6 says that "if any person who holds jagir land paying land revenue direct to the jagirdar dies, his lawful heir shall have the same rights in the land as he had and the patta shall be recorded in his name".

Rule 7 further lays down that "cases of succession of patta and transfer of patta by pattadars in jagirs shall be sanctioned in accordance with the procedure followed in the Khalsa area".

Though the rights of cultivating occupants of land in jagir areas are thus put beyond the pale of any legal controversy or doubt, till the 1137 un-surveyed and un-settled jagir villages are surveyed and settled finally, the raiyats in jagir areas will not have secure possession and enjoyment of rights which vest in them.

But there is still another form of tenancy *vis-a-vis* the Jagirdar. As seen already, under Rule 4, land which is under the personal cultivation of the Jagirdar is to be entered as such in the village records. In such lands, which are variously called Seri. Khud-Khasht or Home-farm land, the Jagirdar is deemed to have proprietary right. This has enabled the Jagirdar to lease out to tenants the Seri or home-farm land, which he could get recognised as such on the

ground of it having been cultivated by him personally. It has been brought to our notice that, while some of the Jagirdars cultivate personally a portion of their seri land, they lease out the rest to tenants on a contractual basis. For want of reliable data, the number of tenants holding seri land of Jagirdars and the area of land cultivated by them, could not be estimated.

There is yet another kind of tenancy in non-Diwani areas and for this, it is not the Jagirdar who is responsible, but the pattedar or the cultivating occupant of land in Jagirs. With the progressive approximation of his position to that of a pattedar under Raiyatwari system of the Diwani area, the registered occupant or pattedar of Jagir land has brought about tenancy under him for the same reasons and in the same way as the pattedar of Diwani areas.

Kinds of Tenants

In Hyderabad till the Asami Shikmis Act of 1354 F., was enacted, there were two kinds of tenants. (1) Shikmidars and (2) Asami Shikmis. Shikmidars are permanent tenants. A Shikmidar is defined in clause (12) of section 2 of the Land Revenue Act of 1317 F., as "the person who like a 'Pattedar' possesses a right to the land or who from the beginning has been jointly in possession with the pattedar or who before the promulgation of this Act, by virtue of any rule in force has acquired the right of a Shikmidar or shall hereafter acquire such right under the provisions of this Act". An Asami Shikmi is defined in clause (3) of section 12 to signify "the person responsible to the holder for payment of Lagan" (rent). Clause (16) of Section 2, defines rent as "any consideration in money or kind or both, paid or payable by a shikmidar to his pattedar or by an asami shikmi to the holder of the land on account of the use or occupation of the land held by him, but shall not include the rendering of any personal service". Section 68 of the Land Revenue Act lays down "a 'Shikmidar' shall be liable to pay only such rent or share of produce as may

be due in accordance with the agreement executed between him and the "pattedar" or "pote-pattedar"; and in the absence of such an agreement, he shall pay what he used to pay in the previous years in accordance with usage, and so long as he continues to pay the rent he shall not be evicted from the land in his possession". Section 69 provides, "The rent payable by the "Shikmidar" may be enhanced in the following cases only :

(a) "When after expiry of the term of settlement, the assessment on the land held by the Shikmidar is enhanced by the Government or at any time any new local tax is levied by the Government, the "Shikmidar" shall be liable to a proportionate increase in the rent paid by him provided that no agreement to the contrary has been entered into.

(b) "On the expiry of the term mutually agreed upon between the "pattedar" and the "Shikmidar" if it is agreed that the "pattedar" shall be entitled to enhance the rent after the expiry of the said term, the rent may be enhanced in accordance with the terms of the agreement.

(c) "If, apart from the labour and expense undergone by the "Shikmidar," through the expense incurred by the pattedar or owing to other reasons, the capacity or the area of the land is increased, the rent may be enhanced with regard to the improvement effected, provided that no agreement to the contrary has been entered into and no enhancement shall be made more than once in 5 years.".

Section 67 lays down that "if any person has from the commencement of cultivation or from the time the patta was granted, jointly with the "pattedar" cultivated the land, he shall be deemed to be a "Shikmidar" until a decision of a Court of law to the contrary is obtained".

Section 67 provides that if an Asami Shikmi has been in continuous possession for a period of 12 years, he should be deemed to be a Shikmidar who has a permanent right of

occupancy. But this provision has a very important proviso, which—as we shall see presently—has in effect and in actual practice nullified Section 67 altogether. According to the Proviso, the period of 12 years' continuous possession which entitles an asami shikmi to be placed in the position of Shikmidar, will avail an Asami Shikmi for the purpose only in the absence of agreement between the landholder and Asami Shikmi pertaining to the period of possession.

Apart from this restrictive condition, it was hard for a tenant to prove 12 years' continuous possession and very few tenants could therefore get the benefit of the above provision. Lest he should be invested with rights of a Shikmidar, the landlord never allowed the tenant to remain in possession of land continuously for twelve years. They resorted to short leases only and changed tenants every three or four years. As such no tenant was permitted to hold land for the required period of 12 years. Further, as the agreement between the parties referred to in the proviso which prevented the acquisition of the Shikmidari right was not specified in the Act to be limited to written documents, even in cases where a tenant was in continuous possession for twelve years or more without a written lease or leases to evidence it, the landholders could always say that the possession of the tenant for twelve years was only by virtue of oral leases from year to year. It was therefore very rare to find a tenant of even long-standing duration becoming a Shikmidar of the land he has been cultivating under Section 67 of the Land Revenue Act.

Section 71 lays down the liabilities of Asami Shikmis as well as of Shikmidars.

Section 72 provides that, if a Shikmidar or Asami Shikmi fails to pay the rent payable in time, the pattedar or landholder may present an application for the recovery of rent to the Tahsildar within three years and that the decision of Tahsildar shall be enforced under the rules for realisation of land revenue.

Section 72 reads "If a pote-pattedar or Shikmidar or Asami Shikmi fails to pay the land revenue or rent in time, application in respect of the same may be presented in Tahsil office within three years from the date of its becoming due, and the decision of the Tahsildar shall be enforced under the rules for the realization of land revenue, but this procedure shall not be a bar to a suit in the Civil Court".

Section 73 makes it obligatory on the part of a land holder to give proportionate remission or suspension of rent payable by a shikmidar or an Asami Shikmi whenever land revenue is wholly or partially remitted or suspended by the Government, unless there is an agreement between the parties to the contrary. And Section 75 makes any excess amount collected refundable to the Shikmidar or Asami Shikmi. It also makes the pattedar or landholder who so collects, liable to a fine.

Section 76 provides "whenever a Taluqdar comes to know that a pattedar with intent to defraud or cause injury to any "Shikmidar" or other person having concern with the "number", has by wilfully not paying the land-revenue, rendered the number liable to attachment and sale he may, instead of attaching and selling the right of occupancy, attach only the interest of the pattedar therein and on payment of the whole amount of land revenue due on the said land, order the name of the Shikmidar or other person concerned with the number to be entered as a "pattedar" in the village records. The person whose name may thus be entered in the village records shall acquire all the rights to which the original 'pattedar' was entitled".

As it is clear from its definition Shikmidari right has a wider connotation than tenancy and includes Cosharers as well as permanent tenants. For all practical purposes now, all Shikmidars are treated as having proprietary interests in the land. With the pattedars and Hissedars,

they constitute all the recognised classes of landholders with proprietary rights in the land.

The kinds of Rents

In Hyderabad rent payable by tenants, is of 3 kinds :

- (1) Batai or crop-share (2) Money rent and (3) Fixed grain rent.

Under Batai or crop-share system, a fixed share of the yield of the crop to be raised is fixed beforehand as the rent payable, while under the fixed grainrent system, popularly called "Galla Maqta", a definite quantity of a particular grain is stipulated as rent, without any reference to the yield. Under the third, the tenant pays a fixed cash rent.

The Batai system assumes different forms with regard to the crop-share payable. In some cases the produce and the expenses of cultivation are shared equally by tenant and landlord, the land revenue assessment of the land being borne by the landlord. In some other cases, the tenant gives half the produce, but the assessment is shared equally. Some times the pattedar or landholder gives half the quantity of seed required and half of the expenses of labour for rabi crops alone, but the tenant gives half of the yield of both Rabi and Kharif crops. There are yet other cases where the pattedar contributes seeds and half the expenses for weeding, all other expenses being borne by the tenant, but the tenant pays half of the produce and some cash amount in addition. Thus under Batai system of rent, the sharing of the payment of land revenue, expenses of cultivation, division of crop exhibit different forms.

Tenancy Committee

By a Guzarish dated 10th Aban 1347 F., submitted to the Government, the Revenue Department requested the appointment of a Committee to investigate into the conditions of tenants and to suggest measures for their relief

and protection. The Guzarish referred to mentions that tenancy legislation had been engaging the attention of the Revenue Department for some years past, "as the time passed, on account of increasing population and of competition for cultivation of land - the problem had become complicated in the Dominions because of the question about alienated villages, where even hereditary cultivators were sometimes considered tenants at-will—question had become more urgent on account of the large volume of agricultural indebtedness in villages. It was found after detailed investigation that about $\frac{1}{3}$ of the agricultural land had gone out of the possession of the owners into that of Sahukars and moneylenders in the Diwani area. Many of these hereditary agriculturists who had to part with their lands are now cultivating as tenants-at-will."

Thereupon the Government appointed the Tenancy Committee under the Chairmanship of Mr. S. M. Bharucha, Additional Revenue Secretary, by a Council Resolution dated, 24th Aban 1347 F. The Committee consisted of only official members. The Committee selected 48 villages in the State for purposes of investigation and examination, three villages in each district, one a Diwani village, the second a Banjar, Ijara or Inam village and the third a Jagir or makhta village.

In all the Committee examined the condition of tenants in 49 villages, the total population of which was 56,356. The occupied area in these selected villages was 94,807 acres, of which the wet area was 8,203 acres, dry 84,534 acres and garden cultivation was 2,070 acres, while the total assessment was Rs. 2,17,030.

The total number of pattedars and Shikmidars in the 48 villages was 4,028 and 1161 respectively. or 5189 put together. The total number of pattedars and Shikmidars in the selected villages whose lands were cultivated by tenants or Kowldars was 1,105; the total number of such tenants or kowldars was 1865. Of the proportion of kowldars to patte-

dars and Shikmidars. the Tenancy Committee observes "it will be seen from Appendix number II that the total number or pattedars and Shikmidars (as mentioned in Appendix I) in (48) selected villages being 4,028 (5189?) and the total number of kowldars in these villages being 1,161, (1865?) the proportionate number of kowldars or tenants in these villages works out 46 percent on the number of pattedars and 36 percent on the total number of pattedars and Shikmidars put together. The Census Report of 1931 estimates the total number of tenant cultivators in the Dominions at $5\frac{3}{4}$ lakhs as against 18 lakhs owners of land the percentage of tenants working out to 32 percent. Roughly speaking, the tenant population in the Dominions may be estimated at 40% of the land owning class".

The Report of the Committee discloses some very interesting facts. The total area under kowldars was 21,089 acres out of 94,807 acres of occupied area. The assessment on lands under kowldars was Rs. 49,487 out of a total assessment of Rs. 2,17,030. About the usual duration of leases, the Committee observes "the minimum period for a kowl is one year, namely one cultivation season, and it is rare to find the same tenant holding the same land for more than 2 to 5 years. Out of 1,961 kowls, only 139 are found to have been over 12 years and out of 139 kowls of this long duration, there were only 9 written kowls for over 12 years each. The largest number of kowls was of 2 years". Contrasting the volume of tenancy in Marathwada and Telingana, the Committee observes "a noticeable feature of our village economy is that while in Marathwada nearly 35% of the total number of pattedars and Shikmidars get their land cultivated on kowl, the percentage is not even half of this in Telengana. The conclusion cannot be avoided that tenants are more readily found for dry crop cultivation than for wet cultivation". But our investigation and the evidence tendered before us, do not support this conclusion. If tenancy is less for wet cultivation in Telengana, it is not so much for the reason that tenants are not forthcoming for wet cultiva-

tion as that the tendency on the part of landholders in Telangana is to get wet land cultivated through Bhagelas and hired labour.

Out of 1951 kowls in the 49 villages, 724 or 37 per cent only were found to be written kowls; "pattedars are averse to making written agreements because they not only do not like to give long kowls, but they like to change kowldars every 2 or 3 or 5 years. They like to change their kowldars from time to time so that the latter may not claim a prescriptive right on the strength of long possession. The result of the inquiry confirms what is known to Government, that the Asami-shkmi is rarely allowed to be in continuous possession for a period of 12 years so that he may not acquire a right to hold the land permanently as against the pattedar, under section 67 of the Hyderabad Land Revenue Act". The Committee observes that generally cash kowls prevail in respect of dry lands while Batai kowl is a general rule with regard to wet land, and this is confirmed by our enquiry. They found in Osmanabad District a case of cash rent of Rs. 160 for dry land paying Rs. 31 assessment i.e. a rent of 5 times the assessment. In another case for a land bearing revenue assessment of Rs. 35, the cash rent was Rs. 225, and another with land assessment of Rs. 82 the cash rent was 400 per year. But the Committee observes that "generally cash rents are double the assessment except in the case of dry crop or Baghat land with a well, when, the rent may be anything from four to six times the assessment according to the fertility of the soil and the supply of water in the well". The Committee gives instances of the rent of land being progressively increased from time to time.

The Committee came across instances of some villages in Marathawada, where the number of kowldars was even larger than the number of pattedars. Referring to soil depletion for want of proper manure, the Committee observes, "dry crop land is hardly ever manured because manure is very expensive, cattle dung being mostly dried and used for fuel." The Tenancy Committee were told that good manuring costs

about three times the land revenue per acre. "It is for this reason that a dry crop is ordinarily not manured by tenants or manured at long intervals. Kowldars say that if they got long kowls, say for ten years, they would increase the rent and would also spread manure at their own cost which they are unable to do if only two or three years kowl is given. But pattedars say that kowldars will not manure their fields even if long term kowls are given. The Tenancy Committee are inclined to think that the real reason at the bottom for this state of affairs is that pattedars are afraid of giving long kowls lest this may create vested interests for kowldars, as permanent or semi-permanent tenancy deprives the pattedar of his hold over the kowldar. Even where kowls for very poor land are given for rent not exceeding Government assessment (the Committee found eight cases of land given on kowl without profit in a village in Gulbarga district), the pattedar does not give long term kowls. He clings to the land, as possession and ownership of land give prestige and power in the village; almost everywhere wealth and power of an agriculturist are measured in terms of acres of land and the number of cattle".

In another portion of the Report, it is said that "the kowldars complained that pattedars take back land from them after two or three years making them chary of improving the land". The Report concludes "if a good tenant tries to improve land, the result is that another prospective tenant offers a larger amount as rent to the pattedar who deprives the first kowldar of the land. The result is a vicious circle and land gets impoverished gradually. In Marathwada where dry crop land predominates and where tenants hardly manure the land, the yield gets poorer and poorer till the kowldar throws up the land when the pattedar puts in some manure, cultivates it himself, and after a year or two gives the land on kowl to another tenant at a higher amount if possible. This shows that the village economy is based on wrong principles, as land is manured at long intervals and the yield is poor.

Kowldars would have some interest in manuring the land only if they had long term or permanent kowls".

Another fact noticed by the Committee was that in almost all the villages, the village officers hold large areas of land as pattedars. They are also moneylenders, which gives them an opportunity to acquire land from their agriculturist debtors. Referring to the landlord who combines money-lending with landlordism, the Committee remarks that "he makes it a condition with his tenant that the share of the produce of the land should be sold to him and seemingly allows a lower rate of interest. If the tenant does not agree he has to pay about Rs. 24% per annum as interest. If tenant's share of the produce is given to the landlord-moneylender, he makes 10 to 20 per cent profit on the marketing of the produce which means that on the whole, he gets the old rate of interest (18 to 24 per cent) if not more".

The Committee finally arrived at the conclusion that one third of the net yield after deducting cost of cultivation, weeding and harvesting, remains with the tenant and two-thirds or more goes to the pattedar. 'Out of' the pattedar's two-third net profit, half or less, i.e., one third or less of the net profit, goes to pay land revenue assessment. Thus on a rough calculation after deducting expenses from the gross yield, cost of cultivation, manuring, weeding, harvesting etc., the net income is divided into three equal parts between the pattedar, the tenant and the Government demand. The last item of expense, viz., assessment comes generally from one-tenth to one-seventh of the gross yield".

As a result of its findings, the Tenancy Committee came to the definite conclusion that, "if early steps for giving adequate relief to this class (tenants) are not taken no improvements in land can be effected, rack-renting will not be stopped as pressure on the land grows every year and the condition of the tenantry will further deteriorate. Such a state of affairs is not good for the pattedars also who cannot always cultivate the whole holding. It is also not good for the economic development of the country as without the

regular manuring of the land and without investment of capital in land for its improvements (which no tenant will be willing to do if he is liable to be turned out whenever the pittedar wishes to do so) the yield of the land is bound to be poorer as time goes on". The Committee came to the further conclusion that "in order, therefore, not only to improve the condition (of the tenancy) who bear a proportion of nearly 40% of the number of cultivating owners, but also to bring better profits to the land owning class and to increase the agricultural wealth of the country, tenancy legislation should be introduced in Hyderabad without delay. In British India tenancy legislations have been in existence, for a long time in almost all the Provinces and it is high time for Hyderabad to follow suit".

The Tenancy Committee felt that the aim of tenancy legislation should be "to harmonise the relations between the landlords and the tenants and not to widen the gulf between them". After a study of the Tenancy Acts of the various Indian Provinces, with this end in view, the Committee came to the conclusion that the Bombay Tenancy Act would be the best model to follow, not only because the land revenue system of Hyderabad is based on the land system of Bombay, "but also because it is a just and mild-enough measure which makes an attempt to hold the scales even between the landlord and the tenant by safeguarding the legitimate rights of both". The Committee framed a draft bill on the lines of Bombay Tenancy Act of 1939 with slight alterations and recommended "that the draft bill framed by it should be passed into an Act and enforced as early as possible not only for the betterment of the tenantry and the landed classes but also in the interest of better cultivation".

The Government of Hyderabad having accepted all the recommendations of the Tenancy Committee, enacted the Hyderabad Asami Shiknis Act in Fasli 1354, adopting the draft bill presented by the Tenancy Committee. The Act was brought into force by a notification in the Gazettee

with effect from 1st Meher 1354F. This Act constitutes the current Tenancy Law of the State. Elaborate rules were framed under the Act and promulgated with effect from 30th Bahman 1356F.

Asami Shikmis Act

The Salient features of the Hyderabad Asami Shikmis Act are :

The Act divides Asami Shikmis or tenants into two categories namely protected Asami Shikmis and Asami Shikmis other than protected Asami Shikmis. A protected Asami Shikmi has been defined as a person who has held land, which is used for agricultural purposes as a tenant continuously for a period of not less than six years between the years 1342 and 1352 Fasli (both inclusive) and has cultivated such land personally during such period. In case land held by one person as an Asami Shikmi devolves on another by inheritance or succession, the period during which the first person held the land as an Asami Shikmi should be included for calculating and determining the period of six years in relation to the second person

If a person has held land on the date of expiry of the prescribed six years, the period during which he has held any other land from the same landholder in the same village which he had cultivated personally should be taken into account in calculating the period of six years.

If any land has been held by two or more persons jointly as asami shikmis, all of them should be deemed to be protected Asami Shikmis in respect of that land, if any of them had cultivated that land for the prescribed period of six years.

- All tenants who satisfy the above requirements are declared to be protected Asami Shikmis and cannot be evicted so long as they pay the lawful rent payable and do not cause any permanent injury to the land or sub-let it to others.

If a landholder wants to terminate the tenancy of a protected Asami Shikmi on the ground of the land being required for personal cultivation, the landholder should give one year's notice in writing, stating therein the reasons for such termination. If, before the receipt of such notice of termination of the tenancy, a protected Asami Shikmi had made improvements on the land held by him, he is entitled, on eviction, to compensation for such improvements.

In respect of trees planted by an Asami Shikmi on the land held by him, before the commencement of this Act with the consent of the landholder and without such consent after the commencement of the Act, a protected Asami Shikmi is entitled to the produce and wood of such trees during the duration for such tenancy. He is also entitled to compensation for such trees if and when his tenancy is terminated.

Asami Shikmis, protected as well as others, should pay the rent agreed upon between them and their landholders and in the absence of any such agreement according to the usage of the locality. If there is no such agreement or usage regarding the rent payable or where there is a dispute as regards the reasonableness of the rent payable according to such agreement or usage, a reasonable rent may be fixed by the Tahsildar, on application by either party.

The Government have power to fix maximum rate of rent payable by Asami Shikmis.

No landholder should levy or collect, by way of cess rate, tax or service, anything over and above the rent payable as indicated in a previous paragraph.

Landholders should suspend or remit the rents payable both by protected as well as other Asami Shikmis whenever there is a suspension or remission of land revenue by the Government.

Leases granted subsequent to the commencement of this Act should be for a period of not less than 10 years. That

is, even if the period stipulated in a lease given subsequent to the Act is less than 10 years, the Asami Shikmi concerned should not be evicted within 10 years from the date of the lease. Hence any tenant inducted into the land under a lease subsequent to the Act cannot be evicted from the land, so long as he pays the lawful rent payable, whatever be the period mentioned in the lease, for a period of ten years.

Growth of Tenancy

A study of the growth of the volume of the tenancy problem is rendered difficult by the frequent changes in the classification and enumeration of occupational heads in the various census Reports. Further, the last Census Report of the year 1941 contains an altogether new enumeration on occupational basis. But a study of the problem even with all such limitations, reveals that a considerable proportion of land has passed into the hands of non-cultivating owners giving rise co-extensively to tenancy farming.

While the total population depending upon "income from the rent of agricultural land" in 1901 was 39,581 as against 24,73,561 depending upon the occupational head "cultivators", in 1911 the corresponding figures were 7,31,803 and 40,64,950 respectively. According to the next Census Report of 1921, the corresponding figures were 7,61,614 and 36,07,366 respectively. The subjoined table indicates the figures for the three Census years of 1901, 1911 and 1921 and the percentage variations for the decades of 1901 to 1911 and 1911 to 1921. For a clearer appreciation of the matter, the figures for the other occupational sub-heads under agriculture, for the above years are shown :-

	1901	1911	1921	Percentage Variation 1901-1911	Percentage Variation 1911-21
1. Rent-Receivers.	39,581	7,31,803	7,61,614	+1748.8%	+4%
2. Cultivators.	24,73,561	40,64,950	36,07,366	-/-17%	-11%
3. Agents & Managers.	62,956	84,540	88,202	-45.1%	-4%
4. Farm Servants and Field labourers.	10,28,643	27,88,212	17,63,562	-172.3%	-36%

The figures for the years 1901 and 1911 disclose an extraordinary increase of 1748% in the number of rent-receivers and a relatively very small increase in the number of ordinary cultivators. The figures further show a large increase of 172% in the number of farm servants and field labourers. The accuracy of the census returns may perhaps be questioned when such startling variations as an increase of no less than 1748 8% in the number of rent-receivers is shown. The increase, assuming the accuracy of the figures, clearly shows that land went out of the hands of the cultivators into those of rent-receivers during the decade 1901 to 1911 at a very rapid rate or that cultivators were giving up cultivation and were becoming mere rent-receivers. The percentage variations under the other sub-heads also point to the same result. The decrease in 1911 by 45.1% of agents and managers reveals another feature. that land had not only been passing out of the hands of cultivators, but also of those hereditary landed proprietors, who used to manage their estates through agents and managers. The meaning of the above figures and percentage variations was appreciated as early as 1324 F. In the Administration Report of the Revenue Department for 1324 Fasli, it is observed that "the two great lessons which these statistics convey are, first that the pressure on land is increasing from various causes and secondly that the ownership and profits thereof are being increasingly appropriated by mere rent-receivers. This important matter is receiving special attention, and anti-land alienation legislation will be resorted to if it is found that the peasant proprietor is supplanted on a considerable scale by the non-cultivating owner". Thus even by 1911 the apprehension of Government of India referred to at the beginning of chapter VI, that unrestricted rights of transfer conferred on the pattedar will lead to the land passing into the hands of the non-agriculturists manifested itself and drew pointed attention.

A study of the comparative figures of the two Census years of 1911&1921 also discloses the same tendency. While the

total number of persons depending upon pasture and agriculture in 1921 was 67,94,968 as against 82,81,829 in 1911, a decrease of nearly 18% and while all occupational sub-heads under agriculture registered a decrease in 1921 as compared to 1911, only rent-receivers increased by 4%.

During the years 1928 & 1929, Prof. S. Kesava Iyengar conducted economic investigations in 6 districts of the State, namely Mahboobnagar, Nizamabad and Warangal in Telengana, Nanded and Aurangabad in Marathwada and Raichur in Karnatak. The enquiry was meant to study, "to what extent the holders of land cultivate their lands and on what terms, and the conditions on which they sub-let them to others" and secondly "the extent to which the holders and especially those who themselves cultivate their holdings, have been dispossessed within a definite period, say the last 25 years and what are the causes of this dispossession". In all, 56 villages were selected in the six districts for study. It was found that in these villages, the total number of occupants was 4537 and that out of them, 785 were non-cultivating occupants. The following table shows figures of cultivating and non-cultivating occupants in each of the districts.

OCCUPANTS OF LAND

District	NON-CULTIVATING				CULTIVATING			
	Total No. of occupants	Engaged in non-agricultural business	Rent-receiving	Total	Having subsidiary occupations	Having no subsidiary occupations	Total	
1	2	3	4	5	6	7	8	
Mahboobnagar	280	65	25	90	56	84	140	
Nizamabad	814	26	8	84	98	182	280	
Nanded	1076	54	196	250	124	702	826	
Warangal	1196	58	81	134	858	704	1062	
Aurangabad	731	91	79	170	74	487	561	
Raichur	990	56	61	107	152	781	883	
- - -	4,587	845	440	785	862	2,890	3,752	

On the basis of the above figures, Prof. S. Keshava Iyengar observed in his Report that "about $\frac{1}{6}$ th of the occupants are not cultivating...a great majority of occupants holding land 50 acres and more, pursue cultivation in Aurangabad and Raichur. In Warangal (except in the Southern Taluqs) the actual field work is done by Bhagelas and in Nanded only 42 (out of 82) are cultivating. This is a sign of the tendency becoming more definite in the Nanded and Warangal districts, that occupants belonging to cultivating classes and having good sized holding are giving up cultivation work". The Report further discloses that in the Aurangabad district by 1929 nearly 30% of the total cultivated area had left the hands of families which originally possessed it, during the previous 25 years. In Mahboobnagar and Nizamabad there was not a single case of dispossession during the above period. In Raichur the percentage of land transferred was about 15%, while in Nanded 5% of the dry and 6% of the garden land was transferred. In Warangal district it was only 9% as a whole, but a closer examination revealed that a quarter of the wet land had passed out of the hands of its original owners. In Aurangabad 2/3rd of the land transferred before 1929 went into the hands of absentee and non-cultivating Marwadis and nearly half of this area was being cultivated by the original occupants as tenants of the new owners. In Raichur about one third of the land transferred went into the possession of non-cultivating moneylenders through debt transactions. In the Warangal district, most of the land transferred "seems to have gone into the hands of Deshmukhs and other large land owners, who dominate the economic life of this district". Out of 1922 acres of wet land which passed out of the hands of the original holders during the above period of 25 years, about 848 acres went into the possession of persons who do not cultivate lands by themselves.

The following table gives details of agricultural tenancy found in the 6 districts studied :

AGRICULTURAL TENANCIES

District	No. of tenancies	AREA AND PERCENTAGE TENANTED OUT								Number of landless tenants	
		Dry land		Wet land		Garden land		Percent-age	Area		
		Area	Percent-age	Area	Percent-age	Area	Percent-age				
Mahboobnagar	109	1,958-33	30.2	60-10	15.0	4-15	24.3	90			
Nizamabad	72	228-17	21.7	22-37	7.5	...	...	55		
Nanded	564	7,815-28	32.7	59-18	75.9	65-36	42.9	191			
Warangal	489	8,784-28	26.6	919-88	24.8	56-15	17.5	117			
Aurangabad	265	4,998-10	25.8.	...	...	132-13	20.3	87		
Raichur	195	2,591-24	15.2	8-31	17.7	5-15	7.8	42			

"Nanded, Warangal and Mahboobnager are rather badly off, but Warangal is much worse than Nanded and Mahboobnagar in terms of tenancy. In Aurangabad the area tenanted out to ex-occupants (1141-6 acres) comprises about 1/5th of the total tenanted area. The small wet area in Nanded is in bulk cultivated by tenants. The large wet area, in Warangal is about 1/5th managed by tenants, and almost the whole of the rest by Bhagelas", the Report concludes.

The following table, shows the duration of the tenancies as revealed by the investigations in the 4 districts of Nanded, Warangal, Aurangabad and Raichur :

TENANCIES

District	At will	For 2 years and more	For 5 years and more	Total
Nanded	273	105		† 378
Warangal	403	46	40	* 489
Aurangabad	196	14	54	* 265
Raichur	140	18	37	195
	1,012	...	314	1,327

† Tenancies held by landless tenants only.

* Details of one tenancy not ascertainable.

Neither the 1931 nor 1941 Census Reports give figures of the total number of people depending upon the occupational heads or sub-heads mentioned and while the 1931 CENSUS REPORT gives figures of the number of "earners" and "Working dependents only", the 1941 CENSUS REPORT adopts an entirely different classification altogether.

" According to the 1931 CENSUS REPORT, the total figure of "earners" and "working dependants" under the occupational sub-head "Non-cultivating Proprietors taking rent in money or kind", is 4,40,693. After mentioning that comparision with the figures of 1921 Census is rather difficult, the Census Commissioner in the Census Report of 1931 observes that "as compared with the figures for 1921 termed as "actual workers" under this sub-head, there has been an increase of 32% during the decade". The figures of non-cultivating owners, cultivating owners and tenants for 1931 are shown in the Table below :

Total earners showing occupa- tion as principal	Total working dependents	Total following occupation as subsidiary	Earners & work- ing dependents
1	2	3	4

ORDER OF CLASS A
Pasture & Agriculture:

1. Non-cultivating pro- prietors taking rent in money or kind.	3,18,687	1,21,996	72,756	4,40,693
2. Cultivating owners.	7,81,649	2,74,183	1,44,359	10,55,832
3. Cultivating tenants.	3,77,877	1,24,517	78,068	5,01,894

According to 1931 Census Report the total number of rent-receivers (earners and working dependents) is 4,40,693 as against 10,55,832 cultivating owners and 5,01,894 tenant cultivators. If we take land-owners as a whole, cultivating and non-cultivating, their number comes to 14,96,525 and the Tenant Cultivators constitute about 33% of this number.

The relevant figures from the Census Report of 1941 are as follows :

Serial No.	Kinds of cultivators		As principal means of livelihood without subsidiary means of livelihood.	As principal means of livelihood with subsidiary means of livelihood.	As subsidiary means of livelihood.	As means of livelihood of partly dependents.	Total dependents on the means of livelihood.
	1	2	3	4	5	6	7
1. Non-cultivating proprietors taking rent in money or kind.	8,03,246		80,532	92,937	2,08,038	9,17,801	
2. Cultivating owners.		9,52,253	1,05,579	1,87,617	2,44,309	18,41,024	
3. Batai Share-croppers and tenant cultivators.		3,82,989	1,06,791	1,10,482	1,51,230	8,08,008	

If the first two columns of people depending upon the respective occupational heads, either as principal means of livelihood without any other subsidiary means of livelihood or with a subsidiary means of livelihood, are taken together the number of cultivating owners is 10,57 832, of tenants 4.55,001 and of non-cultivating owners 3,83.778.

The Census Commissioner observes in his Report for 1941 that during the decade 1931-1941 rent-receivers had registered an increase of 33%. When the total depending upon the means of livelihood, shown in the 1941 Census as "Batai Sharecroppers and Tenant Cultivators", is compared with the total depending upon the occupational sub-heads "Non-cultivating proprietors taking rent in money or kind"

and "cultivating owners or land-owners", the former works out about 35% of the latter (*i. e.* land-owning class). The following figures for Faslies 1353-1356 relating to Diwani areas of the State are gathered from The Administration Reports:—

N ^o S.	Particulars	1353 F.	1354 F.	1355 F.	1356 F.
1.	Total number of pattedars, Hissedars, Shikmidars.	16,82,596	17,97,872	18,74,083	19,13,540
2.	Kowldars and sub- tenants.	4,23,970	4,66,104	4,95,697	4,90,154
3.	Ratio of the total Kowldars to total pattedars, Hissedars and Shikmidars	25.19%	25.92%	26.45%	25.61%

The above figures may perhaps give an impression that there has been a fall in the volume of tenancy as compared to the Tenancy Committee's estimate of 40%; but our investigations have established that the seeming fall in the volume of tenancy is more statistical than real. Ever since the Tenancy Committee started investigating into the Tenancy problem of the State in 1939, there was a pronounced tendency on the part of the landlords to dispossess and evict longstanding tenants, with a view to prevent them from acquiring rights under any legislation that might be recommended. This tendency continued after the enactment of the Hyderabad Asami Shikmis Act also and even became more pronounced on account of the general ignorance of the tenants of their rights under the Act. The landlords were during this period at pains to make it appear that land was under their personal cultivation.

If, therefore, subsequent to the Report of the Tenancy Committee, statistics indicate any fall in the volume of tenancy in the state, it is not a genuine and healthy sign of landlords' resorting to their lands for purposes of cultivation or of the tenancy problem having become any easier.

CHAPTER IV

TENANCY LEGISLATION IN INDIA

Bengal was the first Province in India to enact tenancy legislation. The Bengal Rent Act was passed in 1859 and was applicable to the zamindari areas of the Province, governed by the Permanent Settlement Regulation of 1793. It divided the settled cultivators of Bengal into three classes. For those, who held lands at the same rents since 1793, it provided, that the rent should remain unaltered for all time to come. In respect of those who held lands at a same rate of rent for 20 years, it was to be presumed that they had paid the same rents since 1793, until the contrary was proved; and those cultivators who held lands for 12 years were granted occupancy rights and their rents were not to be raised thereafter except on the specific grounds provided in the Act. This legislation proved quite ineffective. As the Rent Commission of 1880 pointed out the zamindars did their best to prevent cultivators from acquiring occupancy rights through 12 years un-interrupted possession by the frequent evictions. Another Tenancy Act was passed in 1885, the main object of which, was to extend the right of occupancy to all settled cultivators and to confer some protection and security on even non-occupancy cultivators. The Act conferred on the occupancy raiyat a further right to mortgage his holding and to sublet it for periods not exceeding 9 years. Inspite of the above enactments, the right of transfer allowed to a raiyat was rather vague and undefined and the landlords took full advantage of it by extracting from the tenants a heavy transfer fee known as "Salami". This defect was rectified by the Tenancy Acts of 1928 and of 1938. The Bengal Tenancy Amendment Act of 1938, completely abolished transfer fees and the landlords' right to pre-emption in respect of sale of occupancy holdings. There were further amendments in 1939 and 1940, aimed at the prevention of fraudulent practices regarding enhance-

In Agra, as in Bengal in 1859, occupancy rights were conferred on raiyats who had held land continuously in a village for 12 years. The landlords as in Bengal prevented cultivators from holding land in a village continuously for 12 years and thereby acquire occupancy rights. Further there was no provision for controlling enhancement of rents. Amendments were therefore made to the Tenancy Law to prevent the landlord from defeating the object of the law. By the Tenancy Act of 1926 a measure of fixity of tenure was sought to be given to even the non-occupancy raiyats. They were given the right to hold the land for their life and their heirs were allowed to continue for another 5 years thereafter. The landlord further could enhance the rent of a statutory tenant only after an interval of 20 years.

In Oudh, occupancy privileges were given by the Oudh Rent Act of 1886 to only those tenants who had original proprietary rights which were lost subsequently. Later, these privileges were extended to ex-proprietors who have lost rights by sales in execution. The Tenancy Law was later amended in 1921 and 1926, thereby security of tenure for life and 5 years thereafter to the heir was extended to a larger number of tenants. As in Agra, the right of enhancement of rent was subjected to restrictions and could be exercised only once in every 10 years.

In United Provinces, in accordance with the recommendations of the Committee appointed for the purpose, Government enacted the U. P. Tenancy Act of 1939 which consolidated the Tenancy Acts of Agra and Oudh, and materially changed the law regulating the relations between landlords and tenants. This Act was a very comprehensive measure covering Sir or Home-farm lands of the landlord and providing for the devolution, transfer, extinction, merger etc., of tenancies and determination and modification of rents. For the first time in U. P. heritable tenancy rights were conferred on tenants of "Sir" or home-farm lands. A maximum area of 50 acres was allowed to the landlord in respect of which tenants will have no rights; all the excess

area of Sir lands ceased to be such and tenants therein became hereditary tenants subject to certain provisos. The rent-rates prevailing in 1939 were to be reduced within 5 years to the level of rents prevailing between 1895 to 1906. The Act further laid down that rents could be revised by the landlords only at intervals of 20 years. There were amendments to the Tenancy Act of 1939 from time to time till 1946. Some restrictions were imposed on sub-letting. No subletting was to exceed 5 years in the case of occupancy tenants and one year in the case of other tenants. A sub-lease for a term exceeding one year or from year to year could be made only by a registered document.

The latest legislative attempts of the United Provinces Government are covered by the United Provinces Zamindari Abolition and Land Reforms Bill 1949 and The United Provinces Agricultural Tenants (Acquisition of Privileges) Bill 1949. The former provides for the acquisition of interests of all intermediaries on payment of compensation amounting to 8 times of the net income, which is arrived at in accordance with the provisions of the Bill.

Besides the above compensation, smaller Zamindars who pay land revenue not exceeding Rs. 5,000 are to be given what are called Rehabilitation Grants on a graded scale on the basis of land revenue paid, ranging from 20 times of the net assets in the case of persons paying less than Rs. 25 as land revenue, to 2 times of the net assets for people paying land revenue between Rs. 3,500 to 5,000.

After the abolition of the Zamindaries by acquisition, the Bill seeks to evolve and introduce a new and uniform system of land tenure which combines some features of peasant proprietorship, with the development of self-governing communities, in whom will be vested ownership of all common lands and powers of land administration and management.

The Bill seeks to remedy the inefficiency created by uneconomic holdings by encouraging the formation and growth of cooperative farming societies.

Under the Bill, after abolition of Zamindaries, only two main classes of tenure-holders namely (1) Bhumidars and (2) Sirdars and two minor classes namely (1) Asamis and (2) Adhivasis are envisaged.

Bhumidar

Has a permanent, heritable and transferable right in his holding subject to certain restrictions. He has a further right to the exclusive possession of his holding and the right to use it for any purpose whatsoever. He is not liable to ejectment. He pays land revenue direct to the Government or the village panchayat if authorised by the Government to collect.

Sirdar

Has a permanent and heritable interest in the holding but not the right to transfer, excepting by way of exchange with another Sirdar. The Sirdar has a right to the exclusive possession and to use it only for the purposes connected with agriculture or animal husbandry. The Sirdars like Bhumidars are jointly and severally responsible for the land revenue assessed on the village to be paid direct to Government through Gram Panchayat.

Asamis have heritable rights but these rights generally are not permanent, though some sort of security is provided. The interest of an Asami is not transferable. While Bhumidars and Sirdars pay land revenue, Asamis and Adhivasis pay rent to the Village Panchayat or to landholders (Bhumidars and Sirdars).

While Bhumidar is not liable to ejectment, Sirdar and Asami are liable to ejectment. Sirdars or Asamis can be ejected for any transfer of their interest, on a suit by the Village Sabha. Similarly a Sirdar and Asami may be ejected if they were introduced on or after 8th of August 1946 in a land which is common pasture land, burial ground or such like communal lands.

Besides on the above grounds, an Asami is liable to eviction if the interests and rights of the Bhumidar or Sirdar

under whom he holds are extinguished by abandonment or 'or any other reason. He is, moreover, liable to eviction at the end of the year if he holds only a yearly lease or if for longer period, on the expiry of the said period. Further if the landholder wants the land held by an Asami for his own personal cultivation, then also an Asami may be evicted.

Adhivasis

Adhivasis are tenants of Sir lands of the Zamindar with no occupancy or hereditary rights and Sub-tenants of all other lands. They have been given some protection under the Bill by the provision giving them the right to continue to hold the lands for 5 years from the commencement of the Act. The rent payable by them is an amount equal to $133 \frac{1}{3}\%$ of the rent that was payable in respect of the land by a tenant with hereditary rights before the acquisition. After the expiry of the 5 years' period allowed to him, if an Adhivasi pays 15 times of hereditary rate of rent in case he is a tenant of Sir land and 15 times the rent of the tenant-in-chief, if he is a sub-tenant, he will acquire Bhumidari rights and the rights of his landholder in the land will be extinguished. Compensation is provided in Section 223 to Bhumidars or Sirdars whose rights get extinguished in the above way.

Sirdars may acquire the rights of a Bhumidar by payment to the Provincial Government of an amount equal to 10 times of the annual rent payable for the time being on his holding. This payment entitles a Sirdar to a reduction of the land revenue payable thereafter by 50%.

There are certain general restrictions applicable to all the above tenures. None of them are allowed to let out their lands for any period whatsoever. An exception is made in-favour of minors, widows and persons having physical or mental infirmities. The right to transfer allowed to the Bhumidar is subject to the restriction that any transfer by him shall not be in favour of a person who holds more than 30 acres.

(This figure 30 is inclusive of the area covered by the transfer). A Bhumidar cannot moreover mortgage his land if thereby possession is transferred. A special order of devolution by succession is provided in the Bill.

The U. P. Bill further provides that any ten or more members of a Gaon Samaj holding between them Bhumidari or Sirdari rights in 50 or more acres of land in the area covered by the Gaon Samaj may apply to the Registrar of Co-operative Societies to form a Co-operative Farming Society.

There is provision for another kind of Co-operative Farming Society. If not less than $\frac{2}{3}$ rd of the total number of persons holding Bhumidari or Sirdari rights in uneconomic holdings (less than $6\frac{1}{4}$ acres) in an area and holding between them not less than $\frac{2}{3}$ rds of the aggregate area, a Co-operative Farm may be established. Thereupon all the uneconomic holdings in the area held by any Bhumidar, Sirdar and Asami would be deemed to be transferred and held by the Co-operative Farm. An unwilling Bhumidar, or Sirdar is allowed compensation if he files an application within 3 months after the registration of the Society.

Among the various duties of the Co-operative Society, consolidation of holdings is one. A number of facilities and concessions are allowed to these Co-operative Societies.

The Gaon Samaj and Gaon Sabha are given wide powers in respect of the control and management of the lands within their Jurisdiction.

The second Bill merely amplifies the provision in the first one relating to acquisition of Bhumidari rights by tenants by payment of 10 times of the rent payable in respect of the land.

In Bihar and in Orissa also, the Bengal Rent Act of 1859 and The Bengal Tenancy Act of 1889 created a class of tenants with occupancy rights. Later in Bihar, there was a Tenancy Act of 1938 which declared as illegal many

abwabs generally imposed by zamindars. It gave occupancy raiyats, heritable rights in their holdings. In view of the economic depression which set in after 1929, and resulted in a severe fall of prices of agricultural commodities, the Act provided for the reduction of rent to the rent-level of 1911. In Orissa—there was Madras Estates Land (Orissa Amendment Act of 1938), which abolished illegal cesses and conferred on the occupancy raiyats, the right of free transfer of their holdings without any payment to the zamindar. The Bihar Abolition of Zamindari Bill of 1947, which was passed by the Provincial Legislature provides for the acquisition of the interests of all intermediaries. Compensation is provided on a graded scale with reference to the net income from 3 times where the net income exceeds one lakh to 20 times where the net income does not exceed Rs. 500. Zamindars are allowed to retain all their Seri or Home-farm lands and they are to be treated as Raiyats under Government in respect of such lands.

In the Central Provinces, there are three main classes of tenants under the zamindar or Malguzar as he is called:

1. Absolute occupancy tenants
2. Occupancy tenants and
3. Tenants-at-will

Absolute occupancy tenant has the following rights:

The rent due from him to the Malguzar is fixed by a Settlement Officer and is not liable to enhancement during the currency of settlement. He has a heritable interest in the lands. He has besides, the right to transfer his holding to a co-tenant or to a heir only and that, by a simple mortgage or a mortgage by conditional sale. He can sublet his holding for a period not exceeding 5 years. He can transfer even otherwise, subject to the landlord's right to pre-emption. He is not liable to eviction except by a civil suit on the ground of the holding having been diverted to non-agricultural purposes.

Occupancy tenant has a permanent and heritable right of occupation. The rent payable by him can be enhanced only once in 10 years. He has a more limited right of transfer than the absolute occupancy tenant. The Central Provinces Tenancy Act of 1920 gave occupancy right to all tenants of the Malguzar except those holding his private lands.

Lastly there are tenants-at-will, who are tenants holding the private or the Sir lands of the Malguzar.

The Amending Act of 1940 equated the rights of occupancy tenants to the rights of absolute occupancy tenants, with minor differences. The Act of 1940 conferred on absolute occupancy tenants and occupancy tenants the right of becoming proprietors of the plots they hold or Malik Maqboosas, by the payment of 10 and $12\frac{1}{2}$ times of the rent respectively to the landlord.

A sub-tenant according to law, is ordinarily only a tenant-at-will. But there is a provision in the Act which empowers a revenue officer either of his own accord or on an application made by a sub-tenant, to declare the sub-tenant an occupancy tenant, if the land has been habitually sublet by the occupancy tenant. A land is to be presumed to be habitually sublet if it is sublet for a period exceeding 7 years during a period of 10 years.

In Madras, the Zamindari areas are governed by the Madras Estates Land Act of 1908, which regulates the relations between the Zamindars and the raiyats under them. This Act gave a permanent, heritable and transferrable right of occupancy to all raiyats. Under the Estates Land Act of 1908, all cultivators in occupation of "Raiyati land" i.e. all lands in an estate excluding communal lands like porombokes etc., and the home-farm land of Zamindars and persons who may be admitted subsequent to 1908 were declared to be occupancy raiyats. Determination of reasonable rent and enhancement or reduction of the same on certain grounds was provided for.

The raiyat is liable to ejection by a suit before the collector only on the ground that he materially impaired the value of the holding for agricultural purposes or that he rendered it un-fit for agricultural purposes. The jurisdiction of civil court is completley barred under the Act and all matters are exclusively cognizable only by revenue courts.

The Estates Land Act regulates the relations between the Zamindars and raiyats but not between the Zamindars and the tenants of home-farm lands nor between the raiyat and his under-tenant. Recently, the Madras Government has enacted the Madras (Abolition and Conversion into Raiyatwari), Act No. 26 of 1948. This Act repeals the Madras Estates Land Act of 1908 and the Permanent Settlement Regulation of 1802 and all other enactments relating to Zamindaries and empowers the Government to acquire the estates. The compensation payable to Zamindars is on a graded scale with reference to a basic annual sum. The basis of calculation for arriving at the basic annual sum in relation to an Estate which is an inam estate is different from a Zamindari estate. The compensation payable ranges from 30 times of the basic annual sum not exceeding Rs. 1000/- to 12½ times where the basic annual sum exceeds one lakh, subject to a maximum of 15 lakhs. The Zamindars are to be given Raiyatwari pattas in respect of all their private or home-farm lands.

In Bombay, for long, there was no legislation. In 1938, The Bombay Small Holders' Relief Act was passed purely as a temporary measure to be enforced only upto 31st March 1938 but it was later extended upto 31st March 1941, by which time, it was hoped it would be replaced by a more comprehensive legislation. In this Act of 1938, protection from eviction was conferred on tenants who had been in uninterrupted possession of agricultural land from 1st January 1931. Later, the Bombay Government enacted The Bombay Tenancy Act of 1939. This was a very comprehensive measure and was applicable not only to Zamindari or inam areas of the Province but also to raiyatwari areas

as well. The Act divided all tenants in the Province of Bombay into two classes, namely "Protected tenants" and "other tenants." All tenants who had held land continuously for a period of not less than 6 years immediately proceeding the first day of January 1938 were to be deemed "protected tenants". By a later amendment, another date, 1st day of January 1945 was incorporated as an alternative to the original date mentioned in the Act. Tenants who satisfy the above requirements but who had been dispossessed were given a right of getting reinstated in the land by application to proper authorities. Protected tenants were conferred right to a reasonable rent determined by an officer, freedom from eviction, continuation of tenure to the heirs after their death on the same terms and conditions, benefit of remission of land revenue by proportionate reduction in rent and freedom from all illegal exactions.

Even tenants not coming within the protected category were conferred a measure of security by the provision which made every lease enure for a period of 10 years, even if a shorter duration is agreed to between the parties.

This Act was originally applied to only some districts but was later extended to the whole province. There have been some amendments also to the Act subsequently. The Bombay Government has recently replaced it by a still more comprehensive legislation *viz.*, The Bombay Tenancy and Agricultural Lands Act of 1948.

Section 4 of The Bombay Tenancy and Agricultural Lands Act, of 1948, lays down that a person who lawfully cultivates any land which belongs to another person shall be deemed to be a tenant, if such land is not cultivated personally by the owner and if such person is not :

- (a) a member of the owner's family or
- (b) a Servant on wages payable in cash or kind but not in crop-share or a hired labourer cultivating the land under the personal supervision of the owner or any member of the owner's family or

(c) a mortgagee in possession.

Explanation:

A person shall not be deemed to be a tenant under this section if such person has been on the application made by the owner of the land as provided under section 2A of the Bombay Tenancy Act 1939, declared a counter authority not to be a tenant.

Section 5 Provides

(1) No tenancy of any land shall be created for less than 10 years.

(2) Notwithstanding any agreement to the contrary, no tenancy shall be terminated before the expiry of a period of 10 years except on the ground mentioned in Section 14,

Provided that any tenancy may be terminated by the tenant before the expiry of a period of 10 years by surrendering his interest as a tenant in favour of the landlord.

Breach of this provision has been made punishable on conviction with fine which may extend to Rs. 1000.

Section 6

Lays down the maximum rates of rent payable by a tenant. In the case of irrigated land it is one fourth of the gross produce and in the case of all other lands one-third. The share is of the gross yield or its value as prescribed under the rules.

Rule 3 of the Rules under the Act lays down the procedure for the determination for the quantity and value of the crop.

The yield shall be determined on the basis of the estimated by either of the following methods whichever may be lower.

(a) The quantity of average yield per acre of that crop, as arrived at by actual crop experiments undertaken by the Revenue or Agricultural Departments or by both in that local area or in or near that local area,

(b) The actual yield per acre agreed to by the landlord and the tenant.

Sub-Clause (3) of Rule No 3 lays down "the value shall be calculated on the basis of the average market price for the months of January to March as recorded in Taluqa form 28 (a) given in the Manual of Revenue Accounts".

Section 7

Empowers the Government to fix a lower rate of maximum rent for any local area or to fix such rate on any other suitable basis as it deems fit.

Subject to the maximum rates fixed, the rent payable is the rent agreed upon between the parties and in the absence of such agreement, according to local usage. If there is no agreement or usage or where there is a dispute as regards the reasonableness of the rent payable according to such agreement or usage, the reasonable rent may be fixed, on application by either party, by the Mamlatdar under Section 12. Rent fixed by the Mamlatdar under Section 12 is subject to an appeal to the Collector and holds good for a period of 5 years.

It is further provided in the Act that the tenancy of any land held by a tenant is not liable to termination excepting on the following grounds:

1. Failure to pay rent within 15 days from the date fixed for the payment of the last instalment of the land revenue or acts destructive or permanently injurious to the land.

2. For sub-letting, subdividing or failure to cultivate it personally.

3. Or diverting it to non-agricultural uses.

A tenant cannot be evicted from the dwelling house built at his expenses or that of his predecessors.

The tenant is given a right of pre-emption in respect of the site on which he has built a dwelling house at his expense and any sale in contravention of this, is declared null and void.

The above provision with regard to dwelling houses is made applicable to dwelling houses and sites thereof, occupied by agricultural labourers or artisans also by a notification in the gazette.

Tenants are conferred right of enjoyment of the produce of trees planted by them and to compensation in respect of them on termination of tenancy.

Tenants are denied any rights of sub-division or sub-letting or assignment excepting in favour of a Co-operative farming Society.

The land or any interest in such land held by a tenant is not liable to be attached, seized or sold in execution of a decree or order of a civil court.

All the above provisions are applicable to all tenants in general. Higher privileges and special rights are given to protected tenants.

A person shall be recognised to be a protected tenant if he has been deemed to be a protected tenant under sections 3, 3A or 4 of the Bombay Tenancy Act, 1939.

A tenant is deemed to be a protected tenant in respect of any land if he has held it for period of not less than 6 years immediately preceding the first day of January 1938 or the first day of January 1945 and has cultivated it personally during that period.

Section 3A

Lays down, "Every tenant, on the expiry of one year from the date of the coming into force of the Tenancy (Amendment) Act 1946 (8th November 1946), be deemed to be a protected tenant for the purpose of this Act and his rights as such shall be recorded in the "Record of Rights" unless the landlord has within the said period made an application to the Mamlatdar within whose jurisdiction the land is situated, for a declaration that the tenant is not a protected tenant.

A protected tenant is entitled to purchase at any time the land held by him as a protected tenant from the landlord, for which he has to make an offer in writing to the landlord stating the amount of the price for which he intends to purchase the land. In the event of the landlord refusing or failing to accept the offer and to execute the sale deed within three months from the date of the offer, the protected tenant may apply to the Tribunal created under the Act, for the determination of the reasonable price of the land, who after making an enquiry will determine the price in accordance with the rules framed under the Act.

Rule 14

Lays down, that reasonable price should be determined by the Tribunal after taking into consideration the factors to be taken into consideration in fixing the reasonable rent under Section 12 and such other additional factors as in their opinion are relevant and useful.

On deposit of the price determined, the Tribunal issues a certificate in the prescribed form declaring the protected tenant to be the purchaser of the land, which is made conclusive evidence of the same as against the landlord and all persons having interest therein.

This right of purchase of the land by the protected tenant, is subject to the following conditions:

(a) If the protected tenant does not hold any arable land as an owner, the purchase of the land is limited to an area of 50 acres of arable land.

(b) If he holds any arable land as an owner, the purchase of land is limited to such an area as will be sufficient to make up the area of the land owned by him to the extent of 50 acres of the arable land.

(c) The total area of the arable land remaining in the ownership of the landlord after the purchase of the land or any portion thereof by the protected tenant will not be less than 50 acres. If the land to be purchased is owned by an un-divided Hindu family which consists of more than one branch, the total area of the arable land remaining in the ownership of the family, after the purchase of the land or any portion thereof is not less than 50 acres for each branch of the family, subject to a maximum area of two hundred acres, irrespective of the number of the branches of such family.

In case of disputes arising in respect of :

(1) The priority or any other right in relation to the purchase of the land among the protected tenants interse or between the protected tenant and the landlord or

(2) The kind, extent or location of any particular area of land to be purchased, such dispute shall be decided by the Tribunal created under the Act in the prescribed manner.

Exchange of lands situated in the same village between protected tenants is allowed through an application to the Mamlatdar.

The tenancy of a protected tenant may be terminated by the landlord, by giving one year's notice in writing to the protected tenant, stating therein the reasons for such termination, if the landlord bona-fide requires the land for any of the following purposes :

- (1) For cultivating personally or
- (2) For non-agricultural use.

The landlord is not entitled to terminate the tenancy on the above ground if he has been cultivating personally other land fifty acres or more in area on the date of notice. If the land which is being cultivated personally by the landlord is less than fifty acres, the right of the landlord to terminate the tenancy of the protected teuant is limited to such an area as will be sufficient to make up the area of the land he has been cultivating personally to the extent of fifty acres. If the landlord is an un-divided Hindu family which consists of more than one branch, the right of the family to terminate the tenancy is limited to such an area as will be sufficient to make up the area of the land which the family has been cultivating or using for non-agricultural purposes to the extent of fifty acres per branch of the family, subject to maximum of two hundred acres irrespective of the number of branches of the family. By Section 36 the Government are empowered to reduce by a notification the above limits of fifty acres and two hundred acres. The landlord further is disentitled to terminate the tenancy of a protected tenant if he has become a member of the co-operative farming society, so long as he remains such a member.

If a protected tenant dies, the landlord has to offer to continue the tenancy on the same terms to the heir or heirs of the deceased tenant. This offer by the landlord should be in writing.

A protected tenant is entitled to compensation on the termination of the tenancy, for improvements effected by him.

A protected tenant is entitled to erect a farm house on the land held by him.

Land purchased by a protected tenant under the Act is not transferable by sale, gift, exchange, lease, mortgage, or assignment, without the previous sanction of the provincial Government.

Not-with-standing any law, the Government may, by notification, assume management of any land-holder's estate, if the Government is satisfied that on account of the neglect of the land-holder or disputes between him and his tenants, cultivation of his estate has seriously suffered. Similarly the Government may take over, if in their opinion it is necessary to assume management for the purpose of improving the economic and social conditions of the peasants or for ensuring full and efficient use of land for agriculture. On the publication of the notification under Section 44, the estate covered by it vests in the Provincial Government and continues to vest so long as the management continues. A Manager appointed by the Government has all the powers of the land-holder to receive and recover all rents and profits and all other powers of the holder,

Section 23 of the Act forbids transfer of land to a person who is not an agriculturist. This prohibition includes even sales in execution of a decree of civil court or for recovery of land revenue. The Collector or any other Officer authorised by the Government may grant permission for alienation in favour of non-agriculturist.

If a landlord desires to sell his land, he should first apply to the Tribunal to determine the reasonable price of the land he intends to sell. After that the landlord should make an offer in the prescribed form to persons in the following order of priority provided the person to whom the offer has been made fails to pay to him the amount of the reasonable price determined by Tribunal or to deposit the same with the Tribunal within two months from the date of the order. The order of priority is :

1. The tenants in actual possession of the land.
2. The person or persons personally cultivating any land adjacent to the land.
3. The Co-operative farming society.
4. Any other agriculturist.

5. Any other person who has obtained from the Collector a certificate that he intends to take to the profession of an agriculturist.

In the case of a dwelling house or a site of a dwelling house or land appurtenant to such a house when such a dwelling house, site or land is not used or is not necessary to carry on agricultural operations, the priority

1. the tenant if he does not own a dwelling house or a suitable site to such a house.
2. The person residing in the village who is not in possession of a dwelling house.

Section 55 authorises the Government to assume management of any land which is remaining un-cultivated for any two consecutive years through the default of either the landlord or the tenant or for any other cause.

If it appears to the Government that any estate or land, the management of which has been assumed by them under the Act or the interest of any other person in such an estate or land should be compulsorily acquired in the public interest, they may so acquire.

P U N J A B

The Tenancy Act in force in the Punjab is of the year 1887. Under it, tenants are divided into 3 classes.

The first class includes every tenant who on the first November 1887 had for more than 2 generations in the male line of descent, through a grandfather or grand-uncle, and for a period of not less than 20 years had been occupying a land.

The second class includes every tenant who having owned the land and having ceased to be landowner thereof otherwise than by forfeiture to the Government or by any

voluntary act has, since he ceased to be a landowner, been in continuous possession of the land or who occupied a land on the 21st day of October 1863 and has continued to occupy it since that date or who being the jagirdar of the estate or any part of it in which the land occupied by him is situate had continuously occupied the land for not less than 20 years.

The third class includes of any tenant entered in the Record of Rights sanctioned by the Government, before the Act 28 of 1868 was passed, as a tenant having right of occupancy in the land, which he has continuously occupied since then.

All the above three classes of tenants are declared to be occupancy tenants.

The occupancy tenant has a right to make improvements and subject to the provisions of the Act and agreement with the landlord, to sub-let his land for a term not exceeding 7 years. He forfeits his right if he fails to cultivate his holding for over a year either by himself or some other person and to arrange for the payment of the rent without sufficient cause. He can be ejected on the following grounds :

1. In execution of a decree for ejectment.
2. If a decree for arrears of rent remains unsatisfied, after notice requiring payment within 15 days has been served on him under the orders of a Revenue Officer.

A decree for ejectment can be passed if the tenant renders the holding unfit for the purposes for which he holds it or where rent is payable in kind, if he fails to cultivate the land properly without sufficient cause. Tenants of the first and second class have the right to transfer by sale, gift or mortgage, after notice to the landlord through a Revenue Officer. The landlord has a right of pre-emption at the price to be determined by the Revenue Officer. The tenant of the third class cannot transfer without the consent of the landlord. While the rights of the first and second class are liable for sale in execution of a decree, the rights of the third class are not so liable.

The rent of an occupancy tenant if payable in kind cannot be enhanced or reduced excepting when there is a change in the crop grown or when there is a change in the kind of cultivation, by a land becoming or ceasing to be irrigated. In the case of cash rent, it may be enhanced on a suit by the landlord, on the ground that after deducting the land revenue, rates and cesses on the holding, the balance does not amount to a Malikana—

- a. of 0-2-0 in the rupee or $12\frac{1}{2}\%$ of land revenue in the case of first class.
- b. of 0-6-0 in the rupee or $37\frac{1}{2}\%$ of land revenue in the case of a tenant of the second class.
- c. of 0-12-0 in the rupee or 75% in the case of a tenant of the third class.

Enhancement may be allowed upto the limit fixed in respect of each of the classes; within this maximum limit, the Revenue Court has discretionary powers.

CHAPTER V

SIZE OF HOLDINGS

Hyderabad is a land of predominantly small farms, spread all over the State. The average size of the holdings has gone down from 23 acres in 1880 to 12 acres in 1945-46 as can be seen from the table appendix A.

One of the causes responsible for making agriculture an unprofitable industry is sub-division and fragmentation of holdings. Sub-division of land indicates the diminution of the size of property among successors-in-interest under laws of succession. Fragmentation involves the breaking up of a single holding into a number of plots separated by land in the possession of others.

The economic investigations in Hyderabad conducted by Prof. S. Keshava Iyengar in 1929-30 had shown that in Aurangabad, Raichur and Nanded districts where there is practically no wet land, the size of an average holding was 27, 17, and 20 respectively but as can be seen from the table below, more than 60% of the total number of occupants in Raichur and 50% in Aurangabad and Nanded held less than 15 acres of land.

CLASSIFICATION OF HOLDINGS

	Nanded	Warangal	Aurangabad	Raichur
No. of occupants holding				
acres 1,500 & more	...	1	...	...
,, 700	,,	1	...	...
,, 400	,,	1	...	...
,, 300	,,	1	1	1
,, 200	,,	8	2	1
,, 150	,,	5	...	...
,, 100	,,	10	25	3
,, 75	,,	11	2	12

(Continued)

	Nanded	Warangal	Aurangabad	Raichur
,	50	"	55	9
,	40	"		20
,	35	"		18
,	80	"	209	16
,	28	"		3
,	25	"		12
,	22	"		22
,	20	"	226	14
,	18	"		19
,	15	"		23
,	12	"		42
,	10	"	161	44
,	8	"		59
,	5	"	217	184
,	2	"		128 196
less than 2 acres			49 381	94
				45

Taking the total occupied area of Warangal District, the average worked out by Mr. Keshava Iyengar was 11 acres dry and 3 acres of wet land. In this district there were a few with very large holdings and if these were excluded the figure would come to 8 acres of dry and $1\frac{1}{2}$ acres of wet land.

No further enquiries appear to have been conducted for the State in regard to the problem of sub-division. Taking the state as a whole, we find that the average size of holdings has been going down. This is proved by the increase in the number of pattedars, joint pattedars and shikmidars without a proportionate increase in the acreage under cultivation. The following table relating to the Diwani area gives details of the same :

**Statement showing the extent of occupied area in acres
and the number of holders.**

Year	Extent of occupied area	No. of holders			Total
		Pattedars	Jt. Patta- dars	Shikhi- dars	
1289 F.	1,07,33,383	466,699	...	...	...
1290 F.	1,02,41,543	478,460	...	...	...
1324 F.	2,09,55,233	780,956	98,960	152,972	9,42,284
1326 F.	2,11,25,149	...	...	...	9,98,968
1337 F.	2,17,69,428	783,543	144,923	202,901	11,31,367
1342 F.	2,18,97,421	780,713	184,403	236,051	12,01,167
1343 F.	2,18,14,336	780,186	189,386	245,726	12,15,121
1344 F.	2,17,43,309	783,003	206,154	245,726	12,84,483
1345 F.	2,17,38,362	781,375	208,843	251,001	12,40,719
1346 F.	2,16,97,447	781,566	210,103	252,618	12,17,282
1347 F.	2,16,66,806	787,046	219,174	262,112	12,68,362
1348 F.	2,16,54,379	784,854	226,127	267,299	12,78,280
1349 F.	2,17,30,798	...	...	...	12,87,091
1350 F.	2,17,69,146	...	...	...	11,17,960
1351 F.	2,17,68,888	...	...	...	11,18,214
1352 F.	2,38,29,068	772,667	...	340,021	14,45,987
1353 F.	2,17,98,822	849,064	...	396,608	13,58,805
1354 F.	2,18,31,311	860,884	...	425,390	16,53,082
1355 F.	2,18,93,029	930,912	...	426,401	17,60,296
1356 F.	...	872,991	604,617	435,932	19,13,510

In the absence of a more comprehensive data, it may not be inappropriate to refer to the results of survey conducted by Mr. Nasir Ali in Dupalli village in 1939. It was found that, whereas there were 151 pattedars in 1904, the number rose to 170 in 1937-38. Again the average holding of each occupant went down from 5.97 to 3.25 acres between 1904-05 and 1937-38. These statistics also reveal that 83% of the holdings were below 5 acres.

Economic Survey conducted by Mr. Mohamed Nasir Ali :

Year	... 1939
Occupied area	... 936 acres.
Population	... 1154

No.	of plots held by one individual	1904	Percent-		1947	Percent	
			age	age		age	age
"	" two as partners	16	10.5	46	27		
"	" three "	9	6.0	21	12.4		
"	" four "	1	0.7	7	4.1		
"	" five "	1	0.7	2	2.2		
"	" five to ten "	1	0.7	2	1.2		
	Total	151	100	170	100		

LANDHOLDERS.

Name of the year	Pattedtrs	Shikmildars	Total	Occupied area in acres	Average holding's of each occupant in acres
1904-05	151	57	208	1248	5.97
1910-11	163	61	224	1805	5.82
1920-21	173	91	264	1855	5.11
1930-31	181	102	283	1229	4.34
1937-38	170	118	288	986	3.25

Holdings between 20 & 100 acres	No 2	Percentage	.9
,, 5 & 20 ,	36		15.7
,, below 5 acres	190		88.4
Total	226	100.0	—

On an examination of the conditions in two villages namely, Najolli and Bhootpur in Seram taluqa, Gulburga district, it is seen that the average area per sub-division is 3 acres and 11 guntas in Najolli whereas it is 3 acres and 8 guntas in Bhootpur. The records also reveal that in a few cases the size of the holding is as small as 6 guntas.

Speaking generally, it may be said that a vast majority of the people hold less than 25 acres, while a small percentage hold 500 acres or more each. Unfortunately it was not possible to get figures relating to holdings between 1 and 5, 5 and 15 etc. The statistics gathered and the evi-

dence tendered before us clearly indicate that there are a large number of holdings below 15 acres, which for a dry tract like the Nalgonda District must be said to be decidedly low.

But the average size of holdings in the State is 12 acres and small as it is, is relatively higher than in other Provinces, as can be seen from the table given below :

The number of cultivated acres per farmer and the average size of holdings in 1931 were as follows :

Province	Number of cultivated acres per cultivator	Average size of holdings in acres
BOMBAY	16.8	11.7
C. P.	12.03	8.5
PUNJAB	8.8	7.2
MADRAS	5.99	4.5
BENGAL	3.97	2.4
ASSAM	3.4	above 2
U. P.	3.3	6.0
BIHAR & ORISSA	2.96	between 4 & 5

FRAGMENTATION

The extent of fragmentation in the districts of Bidar, Bir and Parbhani may be gathered from the tables Appendices B and C, showing occupants whose holdings are scattered into 8 or more hissas. It appears to us that this evil is more pronounced in Telengana particularly in respect of wet lands.

Evils of sub division and fragmentaion

Sub-division and fragmentation are wasteful and are serious obstacles in the way of agricultural improvement. Even the poor equipment possessed by the cultivator is not put to the best advantage. It makes improvements like wells, labour-saving devices and introduction of more valuable crops, an impossibility. The standing charges

being the same on a small farm, the cost of production per unit of produce is higher than on a large farm. Initiative is discouraged due to difficulties of protection of crops against man and animal. Much area is wasted on hedges and paths. There is considerable waste of time, energy, produce and manure when plots lie scattered over a big area. Some plots are so small that it is not worthwhile cultivating them.

Consolidation

The common remedy adopted to get over fragmentation is by consolidation which is "in reality the substitution by exchange of lands of a compact block for a number of separate fragments. By this process, all the lands of one holder may be formed into one plot only or into a few plots of different kinds of soil."

Though in India, as observed by Sir Bryce Burt in 1915, an advocate of consolidation was "looked upon as an impatient idealist whose methodical soul is vexed by the present irregular boundaries" by 1920 there was a general realisation that the problem of fragmentation should be tackled in right earnest, if agriculture is to be put on a proper basis.

Different Methods of Consolidation

Consolidation of holdings has till now been attempted by three different methods :

1. By voluntary effort through co-operative societies after educating public opinion through prolonged propaganda and persuasion :
2. By partial compulsion through legislation when a particular percentage of majority of landholders in a locality holding a particular percentage of major portion of the cultivated area of the locality are agreeable to a scheme of consolidation, in which event a Consolidation Scheme may be proposed and enforced by Government. not only against the willing majority of landholders but also on the unwilling minority.

3. Compulsory consolidation by legislation which empowers the State to introduce and enforce consolidation compulsorily in any area, if it feels such a step is necessary or desirable, without any reference to the willingness or otherwise of the landholders of the locality.

Measures in the Punjab

The work of consolidation was started first in the Punjab as far back as 1920-21. Initially consolidation was effected on an entirely voluntary basis through co-operative societies. By 1943 there were 1807 such societies. The total area thus consolidated was 1.45 million acres. The difficulties experienced in the work of co-operative societies was sought to be overcome by the Punjab Consolidation of Holdings Act of 1936.

The Act enabled the Government to introduce and enforce a consolidation scheme in any area if not less than $\frac{2}{3}$ of the owners holding not less than $\frac{2}{3}$ of the cultivated area made an application for the consolidation of holdings, in which event the application was deemed to be on behalf of all land owners and any scheme of consolidation prepared was binding on all land owners and their successors-in-interest. By 1945 consolidation operations under this Act were carried out in 376 villages and 0.31 million acres were consolidated. As a result of the consolidation of holdings, it is said, litigation has decreased, rents have risen, and output of crops increased. But the progress was considered slow as it was difficult to obtain the consent of the required number of landholders. It was therefore considered desirable to amend the Act. The East Punjab Consolidation and Prevention of Fragmentation Act was passed in 1948. It closely follows the earlier Bombay Act of 1947. In the Statement of Objects and Reasons it was mentioned that the Punjab Consolidation of Holdings Act, 1936 was a defective piece of legislation in as much as it did not give sufficient powers to Government to undertake compulsory consolidation of holdings. Besides, there was no

provision in it to prevent fragmentation of holdings due to partition between co-sharers and other causes. As the prosperity of the peasantry depended chiefly on the size of holdings in the country, Government therefore, decided to consolidate holdings in villages compulsorily and prevent fragmentation of holdings. According to this Act, the Government was empowered to determine standard minimum area that can be cultivated profitably as a separate plot ; and an area less than that is designated as a " Fragment ". On the notification of the standard area, in relation to any locality, all fragments should be noted as such in the Record of Rights and any transfer or a lease of fragment so noted is prohibited unless it thereby merges with a contiguous survey number. Any transfer or partition of land resulting in the creation of a fragment is also prohibited and contravention of this rule renders the transfer or partition void. Section 14 embodied a different principle than that contained in the Bombay Act. While the Bombay Act has no reference to an application from landholders for taking up consolidation work, the Punjab Act says that the Government may, of its own accord or on application declare its intention to make a scheme for consolidation of holdings.

Consolidation in Central Provinces

The principle of partial compulsion embodied in the Consolidation Act 1936 in the Punjab was adopted earlier in the Central Provinces, when the Central Provinces Consolidation and Holdings Act of 1928 was enacted. The Act laid down that if any two or more permanent holders in a village, Mahal, or patti holding altogether not less than $\frac{2}{3}$ of the area in the village, Mahal, or patti make an application to a Consolidation Officer, he may prepare and carry into effect a scheme of consolidation which will be binding on all the permanent holders in the village and their successors-in-interest. This Act was first applied to Chattisgarah division. Upto 1937 holdings of nearly a lagh of permanent holders covering an area of about 1,33,000 acres and split up into 24,33,000 fragments were consolidated into 3,61,000 compact blocks.

United Provinces

In the United Provinces, voluntary co-operative effort was first tried in 1925. By 1940 there were 182 co-operative consolidation of holdings societies working in the Province and an area of 77,762 pakka bighas were consolidated. In 13 years 67,000 bighas of land split up into 75,965 plots were consolidated into 7,599 plots. In 1939 the second method of partial compulsion was adopted. Under the latest Zamindari Abolition and Land Reforms Bill of 1949, one of the important duties entrusted to co-operative farms of uneconomic holdings is the duty of taking steps for the consolidation of fragmented holdings. It is also laid down that if the holdings to be partitioned do not exceed $6\frac{1}{4}$ acres even courts should not partition them but direct the sale of the same and divide the profits thereof.

Consolidation of Holding in Baroda

Baroda was the first State where consolidation work was taken on hand as early as 1917. An Act for the consolidation of scattered holdings was passed in 1920. It was only permissive and applicable by notification to any village if $\frac{2}{3}$ of the khatedars holding atleast half of the total occupied land of the village desired it. Under the Act the Land Commissioner by an order could redistribute the holdings and each khatedar may get in one piece land equal to the amount of his previous holding in small and scattered pieces put together. As no substantial results accrued, Co-operative Societies for the consolidation of holdings were organised. Provision was made in the Partition of Immovable Property Act to prevent fragmentation below prescribed limits. As the purpose of the Act could be defeated by transfers through sale and mortgage, another Act was passed in 1933 which gave neighbours and co-sharers a right to purchase the adjoining land under the prescribed limits. Sir Manilal Nanavati says, in this connection, "the only best way is for the Government to purchase all the land, plot it out again and sell the fields by auction."

Difficulties of Co-operative Consolidation

The difficulties observed in consolidation through co-operative societies are :

1. Indebtedness of the cultivator;
2. Lethargy of the people ;
3. Sentimental attachment to land ;
4. Want of adequate area of the same kind of land for exchange and,
5. Lack of efficient staff to carry out consolidation.

Consolidation of holdings in Bombay

In Bombay an attempt was made to tackle the evil of fragmentation when the Bombay Small Holdings Bill was introduced in the Legislative Council in 1927. The Bill declared illegal any sale or exchange or any kind of transfer of a fragmented holding, *i.e.*, a holding below a standard size to be fixed by Government, except when it was to a neighbour. Cultivation of a newly created fragment was also forbidden except when combined with a contiguous plot, so that the total area so cultivated came upto the size of the standard unit. Another clause laid down that, any particular holding should not be divided as to create a fragmented holding. The Bill also made provision for the preparation of a consolidation scheme for any village adopting the partial compulsion method if, not less than $\frac{2}{3}$ of the land-owners in a village who own not less than $\frac{1}{2}$ of the land are agreeable. The Bill was dropped on account of opposition.

The Bombay Act of 1947

With the experience of various Provinces detailed above, under voluntary and partial compulsion methods, the latest trend is towards the third method namely *undiluted compulsion*. The first province to undertake such a measure is Bombay, which has embodied it in its latest Prevention of Fragmentation and Consolidation Act, 1947. Section 15 empowers the Government to declare their intention to make a scheme for consolidation of holdings in relation to any area, of their own accord without any reference to any application by landholders or their willingness.

CHAPTER VI

RURAL INDEBTEDNESS AND CREDIT FACILITIES

In his report on agricultural indebtedness, to which more detailed reference will presently be made, Mr. Bharucha observed "wide-spread debt in the last century was impossible because there was practically no security to offer and there were few means of enforcing repayment of debt. Although small holders could never have been free from debt, the volume of debt began to rise only from the time that survey and Settlement were introduced giving a secure tenure to raiyats". We would qualify the last statement by pointing out that even at the time of survey settlement, the problem of rural indebtedness was assuming a serious aspect. Settlement Officers frequently referred in their reports to the rising burden of debt which compelled landholders to sell or mortgage their lands to moneylenders. On a perusal of the report of the settlement of Kalabgur and Bodhan Taluks, the Government of India instructed the Resident in Hyderabad to communicate the following observations to the Durbar. "The Governor-General-in-Council has observed that, doubtless with liberal intentions the occupancy right conferred upon the raiyat has been made not only hereditary but transferrable so long as the assessment is paid. I am directed to acquaint you with the fact that experience in British Territory makes it exceedingly doubtful whether the power of transfer is an unmixed benefit and whether it does not increase the facility with which he gets into debt and promote absorption of land by the moneylending and non-cultivating classes. Accordingly in the recent raiyatwari settlements of the Central Provinces the right of occupancy though made hereditary as proposed in Hyderabad, has been made transferrable only within the family of co-sharers. It is probably impossible to withdraw the right of free transfer where it already exists, but His Highness' Government may be willing to take the above facts into consideration

when passing orders on the settlement of other parts of the State." (Letter No. 2243 dated 30th November 1891 from the Resident in Hyderabad to the Nawab Asman Jah Bahadur, Madar-ul-Maham). It does not appear that any practical action resulted from the suggestion of the Government of India.

The slump in the prices of agricultural commodities which set in during 1929 increased the burden of indebtedness to an extent that the problem could no longer be ignored. The economic investigations conducted by Prof. S. Kesava Iyengar in respect of six districts during the years 1928-29 showed that in the Aurangabad District nearly 30% of the total cultivated area had passed into the hands of noncultivating Marwaris and others during the course of 25 years. In Raichur the proportion of land transferred to noncultivating classes was about 15%. In Nanded 5% of the dry and 6% of the garden land had changed hands. In the Warangal District 9% of the whole cultivable area including one-fourth of the wet land had passed out of the hands of the original owners. It was only in Mahboobnagar and Nizamabad Districts that no cases of this kind were found.

In the light of these investigations, supplemented by his own enquiries in Aurangabad and Jalna, Mr Collins, the then Director-General of Commerce & Industries recommended to the Government the enactment of legislation on the lines of the Punjab Land Alienation Act of 1900. Accordingly a Regulation was passed in 1343 F. (1933 A.D.) and was brought into force in the districts of Aurangabad and Osmanabad as an experiment. In the same year Mr. Bharucha, Additional Revenue Secretary, was placed on special duty to conduct a detailed survey of agricultural indebtedness in the State and submit his recommendations. Mr. Bharucha conducted enquiries in 312 selected villages in the different parts of the State and his report throws much useful light on the economic condition of the raiyats during the period of slump. The

Name of District	Name of Talukas	Indebtedness in Multiples of Land Revenue
URANGABAD	1. Kanad	50 Times
	2. Bijapur	19 ,,
	3. Gangapur	17 ,,
BHIR	4. Mominabad	48 ,,
	5. Manjiligaon	88 ,,
	6. Ashti	60 ,,
PARBHANI	7. Parbhani	18 ,,
	8. Pathri	15 ,,
	9. Hingoli	118 ,,
	10. Basmat	120 ,,
	11. Kalamnuri	25 ,,
NANDED	12. Degloor	15 ,,
	13. Nanded	18 ,,
GULBURGA	14. Sedam	16 ,,
	15. Gulburga	15 ,,
	16. Kodangal	30 ,,
	17. Chincholi	40 ,,
	18. Shorapur	25 ,,
	19. Shahpur	40 ,,
	20. Yadgir	80 ,,
	21. Andola	80 ,,
RAICHUR	22. Raichur	34 ,,
	23. Lingsugur	80 ,,
	24. Gangawati	20 ,,
	25. Kushtagi	20 ,,
OSMANABAD	26. Latur	80 ,,
	27. Kallam	18 ,,
	28. Osmanabad	60 ,,
	29. Tuljapur	40 ,,
BIDAR	30. Ahmedpur	20 ,,
	31. Nilanga	56 ,,
	32. Bidar	25 ,,
MEDAK	33. Siddipet	12 ,,
	34. Kalabgur	16 ,,
	35. Andola	15 ,,
NALGONDA	36. Bhongir	12 ,,
	37. Jangaon	11 ,,
	38. Dewarkonda	10 ,,
	" " " "	21 ,,

Name of District	Name of Talukas	Indebtedness in Multiples of Land Revenue
WARANGAL	41. Warangal	11 Times
	42. Pakhal	20 "
	43. Mulug	18 "
	44. Mahbubabad	13 "
	45. Madhira	15 "
KARIMNAGAR	46. Jagtial	11 "
	47. Osmanagar (Sultanabad)	15 "
ADILABAD	48. Adilabad	50 "
	49. Kinwat	20 "
	50. Boath	35 "
	51. Sirpur	30 "
	52. Rajura	60 "
	53. Lakshatipet	10 "

NIZAMABAD The total indebtedness of any one of the talukas does not exceed 6 times the total land-revenue, As such it appears that there is not much of rural indebtedness in the district,

BAGHAT Conditions here are similar to Nizamabad.

MAHBUBNAGAR	54. Makhtal	12 Times
	55. Pargi	14 "
	56. Kalwakurti	14 ,

(*Mr. Fazlulla's note dated 14-9-1349 in Rev. Sect. File No. 219/86 of '48 F.*)

CAUSES OF INDEBTEDNESS

The main cause of the chronic state of indebtedness in which the majority of the raiyats live is due to the smallness of their holdings. Their income is barely sufficient to meet the needs of farming and subsistence. Inherited ancestral debt, litigation, extravagant expenditure on ceremonial occasions are other contributory causes in most cases. Accumulated interest constitutes a substantial part of the debt. Even in a good year the raiyat finds it hard to make both ends

ieet and when it is considered that only one good year occurs in a cycle of 5 years on the average, it is easy to understand why he runs into debt and is unable to extricate himself from it.

Measures taken by Government in 1940

On the recommendations of Mr. Bharucha as a result of his investigations, the Hyderabad Government promulgated 3 Acts mentioned below :

1. Money-Lenders Act of 1940.
2. Debt conciliation Act of 1940.
3. Prevention of Agricultural Land Alienation Act of 1940.

The Money-Lenders Act

The Moneylenders Act is designed to control and regulate moneylending transactions. Its main provisions are as follows :

- a. All money-lenders are required to obtain money-lending licenses in the prescribed manner.
- b. Money-lenders are bound to maintain separate accounts of all transactions showing the principal and interest and to furnish every-debtor with a statement of account in the prescribed form.
- c. The rate of interest from the date of enforcement of this Act is limited to the maximum of 9% simple interest in case of secured loans, and 12% in the case of unsecured loans. The maximum rates have since been reduced to 6 and 9% respectively. Compound interest is forbidden.
- d. Molestation of a debtor for the recovery of debt is an offence punishable with imprisonment extending to ~~to~~ ^{to} with fine extending to Rs. 500/- or with both.

e. No agriculturist possessing land paying a land revenue of Rs. 50 - or less can be arrested for detention in jail.

Information about the total number of licenses issued under this Act is available only for 2 years. 1348 and 1349 F. The total number of licenses issued in this period was 14,667 and the license fees amounted to Rs. 2,64,806/-.

Debt Conciliation Act

This Act provides a convenient arrangement for an amicable settlement of debts. A debtor or a creditor can apply to the Board which consists of 10 members including agriculturists and money-lenders. The Chairman is either a Revenue or Judicial Officer. The application is exempted from stamp fee and pleaders are not allowed to appear without the specific permission of the Board. The Board scrutinizes the accounts and tries to conciliate between the parties. If a creditor fails, without good cause, to submit the accounts, his claim is deemed to have been discharged to all intents and purposes. Payments of conciliated debt are allowed in instalments. The Board has the power to give a portion of the debtors' land for a fixed period in settlement of the debt, or the Board can permanently transfer a portion of the debtors' land in favour of the creditor if such transfer is deemed beneficial to the debtor. The Board is empowered to declare any debtor insolvent and in cases where the creditor does not come to terms inspite of the fact that the Board has made a reasonable offer, a certificate is awarded to the debtor in the prescribed form. A Court of Law will have to abide by such certificate.

In 1347 F., experimentally 6 Boards were set up and in 1349 F., 26 Boards functioned of which 15 continued till 1353 F, 5 Boards were abolished in 1355 F. and one Board was abolished recently. *Thus only 9 Boards are working at present.*

During the 10 years from 1347 to 1357 F., 12,256 cases were registered involving a debt of 126.39 lakhs; out of which, 7,147 applications involving (68.89) lakhs of rupees were dismissed under sections 8 and 21 for want of sufficient justification for conciliation. The amount in respect of which conciliation was attempted was 57.5 lakhs: and out of this amount debts aggregating 34.35 lakhs were scaled down to 21.5 lakhs. Thus the reduction secured works out to 32.43 percent (Reports and Statements received in the Rural Reconstruction Secretariat).

The Debt Conciliation Boards that were set up were mostly presided over by the Munsiffs. During the working of this Act, a controversy arose about the dual system of administering the Act in the Districts. The judicial Department insisted that the Act should be administered wholly by judicial officers and the Revenue Officers should have nothing to do with this work. The Revenue Department at first opined that in Telengana the Debt Conciliation Boards should be presided over by Munsiffs and in Karnatak and Marathwada areas by Revenue officers but later on, it was agreed to hand over this work entirely to the judicial department. All this controversy took about seven years and when finally it was decided to hand over the work to the Judicial Department, the Revenue Department drafted the Hyderabad Agricultural Debtors' Relief Act on the lines of the Bombay Agricultural Debtors' Relief Act of 1939, and transferred the case for implementation and further action. It was also suggested to the judicial department that the Bombay Act of 1939 had been replaced by a later Act in 1947 and that needful amendments should be incorporated in the proposed Hyderabad Agricultural Debtors' Relief Act.

The Prevention of Agricultural Land Alienation Act:

Third in this series of enactments was the Prevention of Agricultural Land Alienation Act of 1349 F. which replaced Land Alienation Regulation of 1343 F. It was in-

to check the alienation of lands to non-cultivating classes. "Agricultural Classes" are to be determined by the Government; accordingly notifications have been issued from time to time specifying the communities and castes to whom the term is to apply. The benefit of the Act is confined to land owners who pay an assessment of Rs. 500 and less. The Act lays down in considerable detail the conditions under which a permanent alienation of land, whether voluntary or in execution of a decree or order of a Court as well as mortgages and leases may be allowed. The main provisions of this Act are:

Permanent alienation of land except in certain cases mentioned in the paragraph below should take effect only with the sanction of the Talukdar. The Talukdar is authorised to refuse sanction where the alienee is not a member of an agricultural class or where he does not belong to the same class to which the alienor belongs, unless land with an annual assessment of Rs. 50/- at least is left in proprietary possession of the alienor after the proposed alienation. However, if in the opinion of the Talukdar it is indispensable to alienate land below the annual assessment of Rs. 50/- or if it is not in the interest of the alienor to retain land in his proprietary possession, the Talukdar shall report the fact to the Subedar, who shall have discretion to grant or refuse sanction.

The sanction of the Talukdar for permanent alienation is not necessary in the following cases :

- a. Where the alienor does not belong to agricultural classes.
- b. Where the alienor and the alienee belong to the same agricultural group or to such agricultural groups which have been included by the Government in the same class and after such alienation, land with an annual assessment of Rs. 50/- at least, is left in the proprietary possession of the alienor. But the condition of Rs. 50/- assessment shall not apply where a person has alienated land by will or gift in favour of members of his family.

c. Where a Pattedar or Shikmidar holding in his possession land with an assessment of more than Rs. 50/- annually, sells, after retaining in his proprietary possession land with an assessment of Rs. 50/- annually, the remaining land to a Shikmidar or Pattedar of such land respectively.

A member of an agricultural class is competent to make temporary alienation as shown below :

1. By an usufructuary mortgage under which the mortgagor delivers possession of the mortgaged land to the mortgagee authorising him to retain possession and receive the rents and profits of the land in lieu of interest and towards payment of the mortgage money till the expiry of the term if the term has been fixed or has been extended, or if no term has been fixed for a period of 20 years.

2. In the form of a mortgage without possession subject to the condition that if the mortgagor fails to pay mortgage money and interest according to the contract, the mortgagee may be placed in possession of the mortgaged land for such term not exceeding 20 years as the Talukdar may consider to be equitable. So long as the mortgagee is in possession of the mortgaged land in accordance with the Talukdar's order the mortgage shall be deemed to be usufructuary mortgage mentioned above

3. Usufructuary mortgage made by a document on the basis of which on the whole :

- a. The mortgagor has no right to alienate his right of cultivating occupancy ;
- b. The mortgagor recognises the mortgagee as a superior holder ;
- c. The mortgagor remains in cultivating occupancy of the land as an Asami Shikmi ;
- d. The mortgagor contracts to pay rent to the extent of double the revenue for the stipulated period.

e. The Mortgagee is responsible for payment of land revenue and cesses.

If a member of an agricultural class makes a mortgagee of his land in a manner or form not permitted by this Act, the Talukdar is authorised to revise or alter the terms of the mortgage so as to bring it in accordance with such form of mortgage as is permitted under this Act.

In regard to leases, it has been laid down that a member of an agricultural class shall not lease his land for a term exceeding 20 years. If the term of any lease is contrary to the provisions of this Act, it shall be deemed to be for the term permitted by this Act. In order that the provisions of this Act may not be evaded, it has also been provided that if a member of an agricultural class alienates or creates a charge on the produce of his land or any part thereof for more than one year, such alienation or charge shall be null and void after one year, unless the sanction of the Talukdar has been obtained therefor.

General Provisions

Civil Courts shall not have jurisdiction in any matter which the Government or any Government Officer is empowered by this Act to dispose of; nor shall Civil Courts take cognizance of the manner in which the Government or any Government Officer may exercise any power vested in them or him by or under this Act.

No land belonging to a member of an agricultural class shall be sold in execution of any decree or order of any Civil or Revenue Court, whether made before or after the commencement of this Act. But if the decree-holder so desires, the Talukdar shall execute such a decree or order by mortgaging the land in the manner prescribed in clause (a) or clause (b) of sub-section (1) of section 7 of the Act or by making a lease under section 12. An instrument which contravenes any of the provisions of this Act shall not be admitted to registration.

CHAPTER VII

AGRICULTURAL PRODUCTION

STATISTICS

Acreage under Principal Crops

Appendix "D" gives details of acreage and production of important agricultural commodities.

Of the total area of the State which is 82000 Sq. miles or 52.9 million acres, the average area under cultivation between 1943-47 was 25.7 million acres, *i.e.*, nearly 50% of the total area. Of the total area under cultivation, 1.8 million acres are under irrigation. Rice is grown over 85% of the irrigated area. The average acreage under Wheat, Jawar, Groundnut, Cotton and Pulses is 0.4, 7.5, 2.9, 2.1 and 3.7 million acres respectively.

Pulses, Cotton, Groundnut and Oil seeds grown in the State are in excess of its requirements, and are exported in large quantities to other Provinces in India and abroad. The position in regard to important cereals like Rice, Wheat and Jowar is different.

Estimated Food Requirements

In the State as a whole, the staple food in the rural areas is Jowar, while Wheat and Rice form the staple food of the urban population of Marathwada and Telangana districts respectively.

Till the first two years of the last Great War, in Hyderabad, as elsewhere in India, hardly any control was exercised by the Government on the production or distribution of food grains. The State was self-sufficient in so far as the requirements of Jowar and other millets were concerned. In years of bumper crops, surplus Jowar was

When the War spread into the far Eastern theatre, the whole economy was upset. With the stoppage of imports from Burma, Provincial and State Governments began to introduce controls over movement and prices of food grains. The normal trade channels ceased to function smoothly as before. Plans for production and supply of food grains were at this stage taken up by the Hyderabad Government along with other Provincial Governments.

It was estimated that the State depended on imports of about 60-70 thousand tons of Rice and about 10 thousand tons of Wheat to meet its food requirements. The State was self-sufficient in so far as the requirements of millets were concerned. As a matter of fact, if the crops were good, Jowar, Bajra and other millets were exported outside the State. This exportable surplus was estimated to be 30,000 tons. Even if these exports were completely stopped, there was on the whole a net deficit of about 40 thousand tons. A Grow More Food Campaign was, therefore, launched with the object of making good this deficit. The measures adopted for increasing production are dealt with in the following paragraphs.

MEASURES TAKEN TO STEP UP PRODUCTION BETWEEN 1942-1949

The following measures were adopted from time to time between 1942-1949.

1. In order to replace cash crops with food crops, a Regulation was enforced prescribing the percentage of a holding in which non-food crops could be grown.
2. Culturable waste lands were assigned to cultivators on Siwai Jamabandi.
3. Seeds and manures were supplied both on cash and Taccavi basis.

Certain concessions were also granted to cultivators with a view to make the Grow More Food Campaign successful. The following measures were adopted in this respect:

1. Taccavi loans were sanctioned free of interest for one year in the first year of the Campaign.
2. Improved varieties of seeds were distributed at a concession price.
3. Cotton growers were given a remission of 50% in land revenue in 1942 for such of their lands as were switched over from Cotton to food and fodder crops. In the following year, a subsidy of Rs. 2 per acre was given for the area sown with food crops in place of Cotton.
4. Talukdars were authorised to give culturable waste lands for a period of one to three years with a concession of 50% in assessment, provided the lands were used for food production. The same concessions were made applicable to Siwai Jamabandi lands and the levy of penalty rates was waived.
5. With a view to encourage the cultivation of lightly irrigated food crops under canals, a remission of 50% was granted in the assessment of Wheat. Similarly a remission of 25% was granted for Jowar.
6. Groundnut cake was supplied at a reduced price by special arrangement with the Hyderabad State Oil Mill Owners' Association.
7. Supplies of Ammonium Sulphate were made in 1944-45 at half the landed port price.

Taccavi loans amounting to 2.2 crores were sanctioned between the year 1942-47 for the supply of seeds and manures to the cultivators. The following table shows the amounts sanctioned for Taccavi between 1942 and 1947 :

Years	Amount in lakhs of rupees
1942—1943	30.20
1943—1944	30.20
1944—1945	32.50
1945—1946	50.00
1946—1947	79.88

Of the total amount sanctioned, only 1.15 crores was actually utilised, shortage of transport and other difficulties being stated as the reasons for non-utilisation of the full amount sanctioned by Government.

PROPOSED THREE-YEAR PLAN 1949 - 1952

In spite of the steps taken so far, the State is still deficit in respect of cereals. A three-year plan has now been prepared by the Agricultural Department. A target of 0.17 million tons of increased production has been fixed and the target figure is expected to be attained by the end of 1952.

The following targets have been fixed for increased production:

1949—1950	29,300 tons
1950—1951	98,000 „
1951—1952	1,88,000 „

The measures proposed to attain these targets and the expected increase in annual production is shown in the following table:

Heads	Increased production of food grains in tons.
i. Well Sinking & repairing old wells	4,500
ii. Reclamation of waste lands	15,000
iii. Contour bunding & soil conservation	1,500
iv. Reclamation of Wheat lands gone under current fallows	50,000
v. By the use of oilcake in combination with fertilizers	6,400
vi. By use of compost	4,300
vii. By the use of oilcakes alone	27,700
viii. By the use of manure mixtures	6,600
ix. Improved seeds of Paddy, Jowar & wheat	21,920
<hr/>	
Total	1,87,920

The total cost of the scheme has been shown as 9.94 crores of which 7.18 crores are expected to be recovered from the cultivators towards the cost of seed and manure that is proposed to be supplied to them. This scheme we understand is now being revised.

FIVE-YEAR PLAN FOR EXPANSION OF IRRIGATION

The Irrigation Department has also prepared a scheme for development of Irrigation. This plan includes :

1. Repairing of breached tanks.
2. Improvement of existing sources of irrigation.
3. Construction of new irrigation sources.

The broad features of the plan are as follows :

1. **Repairing of breached tanks**—There are in all 25,214 tanks in the State of which 12,823 are classed as minor tanks having an ayacut of 10 acres or less. Of the remaining 12,391 tanks, 3,825 have already been restored, 5,345 are unrestored and 2130 are in a breached condition. The five-year programme prepared by the Irrigation Department aims at repairing all the breached tanks by the end of 1954. The extra area that will be brought under cultivation is estimated at 1.33 lakh acres.
2. **Expansion of Irrigation under Existing Sources**
Several of the small and large irrigation sources are not fully irrigating the ayacut proposed under them. Expansion of irrigation under these sources by improvement of channels and otherwise is estimated to bring an additional area of 73,000 acres under irrigation.
3. **New Schemes**—Twelve medium size Projects are in progress and 21 new schemes that will be taken up shortly are expected to be completed by the end of 1954. The details of these schemes are as

	No. of Projects	Irrigation proposed.
1. Under construction	12	39,629
2. Awaiting sanction	6	8,855
3. Under Survey	15	1,64,066
	<hr/>	<hr/>
Total	33	2,12,550

The important Projects under construction are :

Project.	District.	Proposed irrigation.
1. Yakinpur	Karimnagar	1,200
2. Chegaon	„	1,000
3. Manair	„	12,000
4. Arjunpatla	Nalgonda	1,000
5. Gajalpur	„	700
	<hr/>	<hr/>
Total		15,900

Of these Nos. 1 and 3 are nearing completion.

The following projects sanctioned by the Government are now being taken up :

1. Lankasagar	Warangal	2,960
2. Edulvagu	„	3,250
3. Chintalcham	„	3,525
4. Koilsagar	Mahbubnagar	7,000
5. Bensura	Bir	8,200
6. Kamli	„	2,625
7. Talwar	„	3,000
8. Khesapur	Osmanabad	16,000
	<hr/>	<hr/>
Total		46,560

The last four are in Marathwada tract and will mainly provide facilities for light irrigation and garden crops.

The total increase in the production of Rice alone resulting from the measures proposed is estimated to be 0.16 million tons.

CHAPTER VIII

ANIMAL HUSBANDRY

In the oft quoted words of the Royal Commission for Agriculture "the cow and the working bullock bear on their patient backs the whole structure of Indian Agriculture". Closely related to crop production and in many ways complementary to it is the improvement of Animal Husbandry and veterinary service. Because of lack of development of livestock industries, people are deprived of a readily available means of improving their economic condition.

Cattle Wealth and its Distribution

The following are the aggregate figures of the cattle population of Hyderabad according to the Census of 1945. They are shown along with corresponding figures of the previous census years for comparison :

(Figures in thousands)

Census	Oxen	Buffaloes	Sheep	Goats
1920	8,931	2,645	4,826	2,128
1925	8,264	2,883	4,769	3,622
1930	9,653	3,108	5,744	3,055
1935	9,919	3,090	5,936	3,878
1940	9,848	3,082	6,000	3,578
1945	8,675	2,649	5,004	3,928

Percentage variation over 1940	-7	-11	-11	+10
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Statistics reveal that Telangana supports a heavier cattle population than Marathwada. The distribution of cattle is dependent upon the nature of the land

the strength of the rural population. The mean average density of cattle per sq. mile in the state was 151 in 1940 as compared to 157 in 1935. As is the case with population, Medak district exhibits a large density per sq. mile, viz., 174.6. In Nanded, the density is 179.8. In Raichur, we have a density of only 74 per sq. mile. This is because Raichur is a famine zone. The distribution of cattle per 100 acres has dropped from 23 in 1940 to 21 in 1945. The districts which have a heavier fall than 21 are Raichur, Parbhani, Gulbarga, Adilabad and Aurangabad.

Inadequacy of Working Cattle

There is a deficiency of cattle for the agricultural requirements of the State. In the cattle Census of 1945, the working animals were enumerated as 3,005,264 showing a decline of 2% over 1940 as can be seen from the table given below :

Distribution of working animals according to the net area sown (in Government area only)

Year	Total No. of working animals (cattle)	Net area sown in acres	No. of cultivators	Average No of working animals (cattle) per cul- tivator per 100 acres sown	
				per cul- tivator	per 100 acres sown
1945	3,005,264	26,475,362	2,849,506	1.7	14.7
1940	3,297,630	27,054,142	1,841,816	1.8	12.2
1935	4,493,986	29,358,095	1,841,816	2.4	15.3

In spite of the large number of cattle enumerated we find that there is not an adequate number for agricultural operations. Moreover, a large percentage of cattle are inefficient. According to the cattle census of 1940, 4.7% of

he Oxen and 1.6% of the Buffaloes are returned as useless while the percentage in 1945 was 1.9 and 1.5 respectively. We are of the opinion that these figures are underestimates. An economic survey of Dupalli Village in the Nizamabad District conducted by Mr. Nasir Ali of the Osmania University reveals that only 60.3% of the cattle in the village were fit for work. Out of this only 8.3% were really of the right standard and efficiency while the remaining 52% were below the standard, out of which again 24.3% were very poor.

Problem of Grazing

On account of the tremendous increase in the number of inefficient cattle coupled with an increase in the human population, the pressure on land is being increasingly felt. The common practice has been to set apart 15% of the aggregate area of each village for grazing purposes. This has now been reduced to 4.9% showing a percentage decrease of grazing area by 10.42. Even this small margin is not available in certain areas. The percentage of grazing area excluding forest area open for grazing works out only to 7.3% for the state as a whole.

During the rainy season, luxuriant grass grows on uncultivated but cultivable tracts both in Marathwada and Telangana. This is cut and preserved for use as fodder. There are natural pastures in some parts of Marathwada. The straw and stalks are used as fodder.

Besides straw and grass, concentrated food is also necessary. The following are available in good quantity :

Cotton Seed, Bengal Gram, Horse Gram, Husk of Thur, Pulses, Green Gram, Paddy Bran, Oil Cake.

The health of the cattle depends mainly on sufficient grazing lands, abundance of food, and proper care and shelter from sun and rain. There is indiscriminate herding of

Breeds of Cattle

Most of the cattle found in Hyderabad are indigenous and of ordinary breed, viz., Deoni Marathwadi, Deccani Manthani, Devarkonda, Ongole, Krishna Valley and Amrabad and the best is the Deoni breed. The predominant stock is known as the Deccani breed. The Dongri hill cattle which are known as "Deoni" are found in the western part of the state taking their name from the well-known cattle market in the Bidar District. They resemble the well-known Gir breed of Saurashtra. The cows of Ongole breed which are found in the Warangal and Nalgonda districts give good yield of milk.

In addition to the indigenous breeds, imported cattle are also found in Karnatak, Osmanabad, Mahbubnagar and a few other places.

Cattle Mortality

There is a very high cattle mortality owing to the indifferent quality of the cattle. On an average 27 lakhs of cattle die every year. So far as veterinary facilities are concerned, the dispensaries are naturally few and they are poorly equipped and understaffed.

Statement showing the number of Veterinary Hospitals & Dispensaries and the number of Veterinary Officers

District	1854 F. 1944-45	1853 F. 1943-44	1852 F. 1942-43	1851 F. 1941-42	1850 F. 1940-41	No. at the end of last quinquen- tium 1349 F.						
1	2	3	4	5	6	7	8	9	10	11	12	13
	No. of Veterinary dispen- saries and Hospitals	No. of Veterinary Officers	No. of Veterinary dispen- saries and Hospitals	No. of Veterinary Officers	No. of Veterinary dispen- saries and Hospitals	No. of Veterinary Officers	No. of Veterinary dispen- saries and Hospitals	No. of Veterinary Officers				

(Continued)

	1	2	3	4	5	6	7	8	9	10	11	12	13
Telangana		10	17	10	17	10	17	10	17	10	17	10	17
Marathwada		8	14	8	13	8	12	8	12	8	12	8	14
	18	31	18	80	18	29	18	29	18	29	18	29	31

In addition there are 70 intemperate dispensaries

To cater to the growing demand for Veterinary Surgeons, the Government have started the Animal Husbandry and Veterinary College three years ago and the first batch of graduates will come out in 1950.

Cattle Breeding

Against 31,537 breeding bulls, there are 2,523,320 breeding cows. For service purposes it works out at 80 cows for a bull. The paucity of breeding bulls is supplemented by the uncastrated working bullocks of doubtful quality.

The Government maintains two cattle breeding and stud farms one at Himayatsagar and another at Hingoli. A new breeding farm has been started at Seram.

The following table shows the number of stud bulls kept by the Government

Region	1945		1944		1943		1942		1941		
	No. of bulls	No. of cows covered	No. of bulls	No. of cows covered	No. of bulls	No. of cows covered	No. of bulls	No. of cows covered	No. of bulls	No. of cows covered	
*	1	2	3	4	5	6	7	8	9	10	11
Telangana	30	78	22	292	33	280	40	685	31	571	
Marathwada	81	193	25	79	17	291	23	262	19	293	
					50	571	63	947	50	864	

The total number of buffaloes during the quinquennium 1940-45 decreased by 9% and those in milk by 11%. For a total number of 1188 thousand she buffaloes over three years, there were only 11,059 breeding bulls. In Warangal, there was only one buffaloe bull for 458 she buffaloes over three years of age. It is not milk problem alone that is involved but agricultural economy suffers and unless steps are taken to remedy the shortage of breeding bulls, the buffaloe stock will deteriorate.

Dairy Farming

The animals on which Dairy Industry chiefly depends are buffaloes. Cows are only an auxiliary source of supply. In Marathwada the number of buffaloes is less than in Telingana. Dairying as an organised industry does not exist in the State. In Hyderabad City there are few dairies owned by private individuals for the distribution and supply of milk but they do not adopt scientific processes. The production of milk under insanitary conditions and faulty system of distribution have their own consequences which no Government can afford to neglect. The large and small scale dairy establishments enumerated in 1945 were 1013 out of which 398 were in Marathwada and 615 in Telingana.

The number of milking cows enumerated is 752,344 of which 305,235 are found in Telingana and 447,109 in Marathwada. The largest number is 78,513 in Bidar district followed by 77,172 in Warangal district and 67,413 in Nanded. The total quantity of milk estimated is 900,785 seers. The average yield is about 1.47 seers for Marathwada cows while the average yield per animal in Telingana is 0.8 seers.

Milking buffaloes numbered 644,993 of which 339,004 are found in Telingana and 305,989 in Marathwada. Their milking capacity is reported to be 2.81 seers per day or 3.5 seers in Marathwada and 2.2 seers in Telingana per animal.

The total quantity of milk per day both from cows and buffaloes as recorded is 2,711,761 seers, representing 7.2 ounces per head of population in Marathwada and 3.6 ozs. in Telangana. The total consumption of milk and milk products for all India is 8 ounces per head per day.

In villages where milk is not so much in demand for domestic purposes there being no transport facilities for conveying milk to the consuming urban areas, it is turned into butter and then into ghee. In addition to cows and buffaloes, the milk yield of sheep and goats also was ascertained at the census. There are 6,012,655 female sheep and goats, accounting for 1 581.715 seers of milk per day. Nalgaon village of Parenda Taluk of Osmanabad, Nilanga and Ahmadpur of Bidar Districts are noted for their milking goats of good breed. They give as much as 3 lbs. of milk a day.

Poultry Farming

Poultry farming in most countries is still regarded as the cindrella of agriculture and in no country is this term more apt than in India, for till recently commercial poultry farming as a specialised occupation was practically non-existent. It is, however, an important element in Hyderabad's rural economy because 60% of hen eggs and 80% of the duck eggs are sold in the market. Egg production is low due to factors such as poor stock, disease, malnutrition etc. The per capita consumption is 8 as compared to 150 to 300 in other countries.

Poultry keeping is widely practised throughout Hyderabad, but the improvement in poultry breeding is much too slow. There are at present three Government poultry farms, one in Pattancheru, the second in Himayatsagar and the third in Parbhani, kept for the development of poultry industry. To enacourage good breeding various shows and demonstrations are held.

10,305,787 at the previous census showing a drop of 53%. Nalgonda, Warangal, Mahobobnagar, Karimnagar besides other places are the principal centres of poultry breeding in Telingana. The statistics of poultry are given below:

	1944-45		1943-44		1940-41	
	Number	Value	Number	Value	Number	Value
Import :	2,290	4,784	7,876	12,415	1,292	2,408
Export :	2,78,089	4,18,765	18,11,685	20,04,972	11,57,560	5,08,838

CHAPTER IX

RURAL AND VILLAGE INDUSTRIES

Cottage Industries in Hyderabad have developed over long period and bear evidence to a high degree of skill attained by the local craftsmen. The carpets of Warangal, the toys of Nirmal, the handloom products of Mettapally, the woollen blankets of Mahboobnagar and the many articles of use and ornament known as Bidriware are fairly well-known even outside the State. Apart from these specialities, the State possesses considerable resources of raw material for the development of various cottage industries on a wide basis.

Handloom Weaving

Hyderabad is one of the important cotton producing areas in India. The total out-turn is of the order of 5 lakhs of bales per year or nearly 10% of the total Indian output. Cotton spinning as a cottage industry was extensively practised at one time but since the establishment of cotton mills it has been gradually dying out. The attempts made to resuscitate this industry, principally by agencies associated with the All India Spinners Association, will be referred to in a later paragraph. The most important cottage industry in the State is handloom weaving which is spread over many villages in the State. There are about 1,10,000 looms, the largest number being in Telengana, and the industry gives employment to over 4 lakhs of workers. The productive capacity of the looms is estimated at 120.7 million yards per annum, which is sufficient to meet the clothing requirements of atleast a million people. The biggest handloom centre is Narayanapeth where 70% of the population are weavers. The sarees produced here are in great demand in Sholapur, Kolhapur, Poona and elsewhere. Hyderabad

... - of handloom goods to

Woollen Industry

This is also one of the most important cottage industries of the state providing employment in their own homes for about 9 lakhs of persons including women who attend to the spinning and carding. The total number of kamblies manufactured every year is estimated at 7,50,000, of which about 2 lakhs are exported annually from the State. The total quantity of wool produced is about 21 lakhs of pounds of which 15 lakhs of pounds is exported. In Mahboobnagar district and elsewhere the industry is concentrated though it is carried on throughout the State in many villages.

Leather Industry

Hyderabad with its large cattle population has an abundant supply of hides and skins. The bulk of these are exported in the raw state but a small proportion are tanned in a crude and primitive fashion by the village tanners and converted into chappals and leather buckets for irrigation, which find a ready sale in the rural parts. Tanning by more or less modern methods is carried on in regular tanning establishments, of which there are 95 at present, employing over 25,000 people. Tanning materials such as lime, Tangadi Bark, Babul and fruits of Mirabolans are locally available. In Hyderabad, Warangal, Bidar, Raichur, Aurangabad, and other centres footwear of a superior quality is manufactured.

Oil and Oil Seeds

Hyderabad produces nearly a million tons of oil seeds. Groundnut covers an area of about two million acres and only 35% of the produce is used locally for the extraction of oil. There are village ganis in nearly all villages and the local requirements of oil are met by these ganis.

Bone and Bone Meal

The collection of raw bones in the State amounts to 9000 tons annually. 2000 tons of bones are exported and the balance is crushed in two local factories producing about 2000 tons of bone meal.

astor Leaf

About 8 lakhs of acres are cultivated annually with astor. The enormous production of 360 million pounds of astor leaf if found suitable could produce 5,14,285 pounds of dry eri cocoons. Elsewhere in India eri silk worms are reared on castor leaves and if the same thing is found possible in Hyderabad there is scope for the establishment of an important cottage industry which would serve as a subsidiary source of income to the agriculturist.

It is not necessary to go into further details; enough has been said to indicate the potentialities that exist for the development of some important village and cottage industries on a large scale.

In 1929-30 three important schemes were sanctioned to help cottage industries:

1. The Industrial Trust Fund.
2. The Cottage Industries Sales Depot.
3. The Cottage Industries Institute.

The Industrial Trust Fund

The Industrial Trust Fund was started in the year 1339 E., with a capital of a crore of rupees for the development of cottage as well as large scale industries in the State. The funds are invested in various industrial concerns and the income thereof is utilised for purposes connected with the industrial development in the State. The surplus income accruing from year to year and capital receipts derived from changes of investment have been added to the corpus of the fund which has now at its credit a balance of Rs. $4\frac{1}{2}$ crores.

A sum of Rs. 2 lakhs is being provided annually from the fund budget for the award of scholarships for students for obtaining technical training in India and abroad. A sum $\text{Rs. } 10,000/-$ is sanctioned annually as Grant in Aid to help

raw material to the value of Rs. 900/- together with a payment of Rs. 100,- in cash to meet wages. This scheme was formerly in operation in the cities of Hyderabad and Secunderabad and with some modifications has been extended to the districts

Cottage Industries Sales Depot

The Sales Depot was established in 1339 F. and was reorganised in 1357 F. The depot appears to have done some useful work in solving the marketing difficulties of some of the cottage industries. The samples of cottage industry products were sent for display and sale in foreign exhibitions held at Sydney, London, Milan and other cities. The annual recurring expenditure of the Cottage Industries Sales Depot is Rs. 28,770/- and the goods purchased during 1357 F. were valued at Rs. 6,29,598/- while the sales effected amounted to Rs. 4,21,147/- which compared to the previous year shows an increase of Rs. 1,42,111/- The commission earned by the Depot is estimated to be Rs. 46,800/-.

Textile Training Centre

The Cottage Industries Institute, now known as the Textile Training Centre, was established in the year 1930 and with the object of improving the handicrafts of the State by training skilled artisans and organisers, introducing improved appliances, supplying raw materials and technical advice and conducting experiments with a view to evolving new methods of manufacture.

In general the activities of the Textile Training Centre consist of :

- i. Technical Training.
- ii. Production Work.
- iii Research Work.
- iv. Technical help and supply of weaving appliances and raw materials to factories and other technical institutions.

The total production of various cottage industries carried at this centre in 1357 F, amounted to Rs 1,25,577 and the sale amounted to Rs. 1,01,014. The centre also undertook the sale of blanket produced by the development of woollen industry scheme which amounted to Rs. 41,220. Thus the total sale effected by the centre amounted to Rs. 1,42,885.

During the years 1945-48 a number of measures were inaugurated for the promotion of cottage and small scale industries. These measures which are termed "Postwar Scheme" may be briefly recapitulated.

Postwar Handloom Industry Scheme. (Six Units)

This scheme was sanctioned in the year 1356 F, and has come into operation with six main and 12 sub-centres. The main objects of this scheme are as follows :

- i. Supply of yarn and other raw materials at reasonable rates.
- ii. Supply of improved appliances on the hire purchase system or otherwise.
- iii. Purchasing outright or accepting on consignment account against partial payment, finished fabrics from handloom weavers and selling the same.
- iv. Advising weavers with regard to the production of improved and easily marketable patterns and designs.
- v. Giving practical demonstrations to the handloom weavers in their spare time on improved appliance such as fly-shuttle pit-looms, fly-shuttle looms, mill warping etc.
- vi. Demonstrating improved methods of dyeing and printing.

The following figures will indicate the progress of the scheme:

Yarn worth Rs.3,27,040/-, finished goods valued at Rs 53,995/- and dyes, chemicals and gold thread valued at Rs. 6,309/- were purchased. Cloth to the value of Rs. 1,63,365/- was produced and cloth worth Rs. 5,23,225/- was sold in 1357 F.

Handloom Industries Scheme. (2 Units)

Similar to the above handloom scheme, the two units scheme came into operation early in year 1947, financed by the Rural Welfare Trust Fund. Two centres have been established one at Maktahal and the other at Shorapur.

The aims of this scheme are:

- i. To train the weavers under the guidance of experienced artisans, in the use of the latest handlooms.
- ii To establish small units of handlooms equipped with the frame loom of new type with modified weaving attachment and teach the weavers the methods of manufacturing on a centralised basis.

The scheme provides a weaving shed at each centre. It may be stated here that the scheme is meant to acquaint the weavers with mass manufacture and to make them work in a healthy atmosphere. Once the unit starts working on a centralised basis and the weavers are trained on these lines, it is further aimed to convert the manufacturing shed into a co-operative society of weavers. Finally the Department hopes to take up the task of assisting the co-operative society of weavers to convert the handloom units into power loom units.

Yarn worth Rs. 32,183/- was purchased and the production amounted to Rs. 84,464/-.

Sericulture

Towards the close of the year 1948, a Silk Assistant was appointed to make a detailed survey and to locate suitable

laces where different types of silk industry could be introduced. The results of the survey, it is said, indicate that there are several places in Hyderabad where mulberry silk industry can be started as the main or a subsidiary occupation of the raiyats. Similarly in many parts of the State, suitable conditions exist for the development of eri silk, castor leaf on which the eri silk worm is reared being available in abundance.

The Department has drawn up a Three Units Sericulture Scheme and has submitted it to the Government for sanction. The scheme envisages the development of all the three forms of silk, viz., eri, seri, and tasar silk.

Textile Designing Scheme

It was felt that cottage industries products were handicapped in competing with the machine-made goods as they lacked colour, harmony, variety and design which are important factors in improving the quality and demand of the products of the handloom industry. To help the industry in this respect the department has set up an organisation, styled the Textile Designing Section in 1946 and a lady Designer was appointed to supervise the Section.

Transport Scheme

A Transport Scheme was introduced at the end of the year 1947 to afford facilities for the transport of materials, appliances and finished goods from the City of Hyderabad to 32 district centres, organised under the various textile schemes, and to enable the departmental officers to make periodical and surprise visits to those centres.

Hand Spinning Scheme

The acute shortage of yarn for the handloom weavers has become a permanent problem. In order to meet the shortage and increase the production of yarn, handspinning

so produced is made use of by the Department as the weavers are not very keen on purchasing the handspun yarn as it is costlier than the mill yarn.

The other object of this scheme, viz., to impart training in handspinning is fulfilled to some extent and it is expected that a large number of spinners will be in a position to complete their training in the near future. There are 887 charkas working at the centres and this number will be greatly increased when the proposed "BOX TYPE" charkas are made available at the Centres.

The scheme was started with a sanctioned working capital of Rs. 30,000/- and the Department has so far drawn Rs. 23,169/- and utilised the major part of it in implementing the scheme. So far as the financial results are concerned 3,997 lbs. of yarn valued at Rs. 11,950/- was produced during the year 1357 F.

Leather Industry

A leather survey was conducted by the Commerce and Industries Department and various recommendations for the improvement of this industry have been given practical shape. A tanning section was started in the Commerce and Industries Department and a scheme was introduced with the following objects:

1. To improve stocks of raw hides and skins.
2. To develop hygenic methods of vegetable tanning.
3. To introduce chemical methods of tanning.
4. To improve export quality of leather.
5. To introduce dyeing and finishing of upper leather on cottage basis.

The present organisation of the Commerce and Industries Department consists of mobile flaying and tanning units. The flaying units impart instructions in correct methods of flaying besides teaching the villagers methods of better breeding of animals which would go a long way to enhance the

alue of hides and skins. In the end they can also guide the villages in the use of chemicals, particularly in the process of curing. The villagers are also taught the methods of improved manufacture. The model tanning units which are 3 in number have been working at Jalna, Mahboobnagar and Siddipet. The object of these units is to introduce the methods of chrome tanning in the villages. The export tanning units aim at improving the methods of tanning in the large established tanneries where local hides and skins are tanned for export purposes. There are also the leather goods manufacturing units which have trained a number of orphans in the art of modern footwear manufacture, especially crepe sole shoes. It is proposed to have a dyeing and finishing unit.

Pisiculture

Hyderabad imports annually fish in ice to the extent of a hundred tons as well as 500 tons of dried fish. There are in the State 30,000 fairly big tanks in addition to numerous reservoirs, channels and rivers. With the introduction of proper methods of pisiculture in four selected districts it is expected that some 50,000 tons of fish will be produced annually. A further expansion of fisheries should provide for the State's entire needs in respect of fish. To this end it is intended to have at least one fish farm in each district. The scheme includes provision for transport and marketing extending the facilities for deep water netting, the granting of loans and subsidies to fishermen for the purchase of improved fishing tackle, the elimination of middlemen by the formation of Fisheries Co-operative Societies, conservation and auctioning or leasing of tanks and rivers, research, propaganda, a fresh water aquarium and fisheries museum.

Marketing of Cottage Industry Products

In 1955 F. a marketing section was established. The purpose of this section is two-fold: (1) to find an outlet for cottage industries which include all the hand-

loom fabrics and other articles produced as a result of the working of different schemes undertaken by the Department and to centralise the flow of these products for sale purposes, both retail and wholesale within and outside the State.

The Postwar Schemes mentioned above cover a wide range and we shall have occasion to comment on them in Part II. Meanwhile the efforts made by a private agency to develop hand spinning and weaving and the measure of progress that has been achieved deserves to be mentioned in detail.

WORK OF THE A.I.S.A. (All-India Spinners Association)

Since 1929 some spade work had been done by zealous workers to increase the sale of khaddar within the State. But the progress was rather slow. The A.I.S.A. decided to separate Hyderabad area from Maharashtra in 1945 and Sri Ramkishenji Dhoot became the first Secretary of the Branch.

The Hyderabad Branch has its production centres at the following places :

Metapalli, Koratla, Atmakur, Poodoor and Wailal in Karimnagar district. Rebna and Dhagaon in Adilabad District and Gopalpet in Mahboobnagar district. The two centres in Adilabad district, Rebna and Dhagaon have since been entrusted to a certified production agency. Khadi Gramudyoga Prachar Samiti, Adilabad, with its headquarters at Rebna. Their sales centres are at Hyderabad, Nanded, and Latur. At Secunderabad, Bolarum and Warangal sales agencies have been functioning.

The figures shown below are from the report of the branch for the year 1945-46.

1. Production of Khadi

a. In value	O. S. Rs. 7,20,750
In weight	Srs. 84,543 Ch. 15
In Sq Yards	5,36,698 3

b.	Sarees	6,855 pieces
	Dhoties	15,341 ,
	Shirting	22,513 ,
	Others	49 134 ,

2. Production of Yarn

Count.	Hank of 853½ Yds.	Weight	
		Lbs	Ozs.
6 to 11	3,60,072	26,616	2½
12 to 18	14,69,008	97.726	-
18 and over	5,07,682	21 919	12

3. a. Quantity of Cotton

Used by the Branch is 40.281 lbs. as follows :

Khatel.	10,995 lbs.
Jarilla	29,286 lbs.

b. Khatel is purchased from Warangal, Nirmal and Jalna while Jarilla from Nanded, Bhainsa, Jalna and Adilabad.

4. Total number of villages served through these centres is 429 and their total population is approximately 16.976.

5. Number of Workers Employed

a. Nature of work	Hindus	Harijans	Muslims	Others	Total
Spinners	9,720	662	4,284	3	14,609
Weavers	1,226	786	-	-	2,022
Others	104	211	459	-	774
					17,105

b. Khadi Weavers

Workers	Full	Partial
Spinners	8,464	4,724
Weavers	1,360	441
Others	304	244

6. Wages Paid

	Amount		
Workers	O. S. Rs	A.	P.
1. Carders	85,177	5	9
2. Spinners	3,99,167	2	8
3. Reelers	41	12	0
4. Weavers	1,80,600	2	11
5. Dyeing Yarn	10,958	11	2
6. Dyeing Khadi	5,105	9	6
7. Printing Khadi	3,901	7	10
8. Bleaching	7,097	7	10
9. Tailoring	444	7	6
10. , and fringing	102	5	0
11. Callendering	255	10	2
12. Miscellaneous	4,825	5	4
Total	<hr/> 6,47,177	<hr/> 8	<hr/> 8

7. Administrative Staff (According to Salary) :

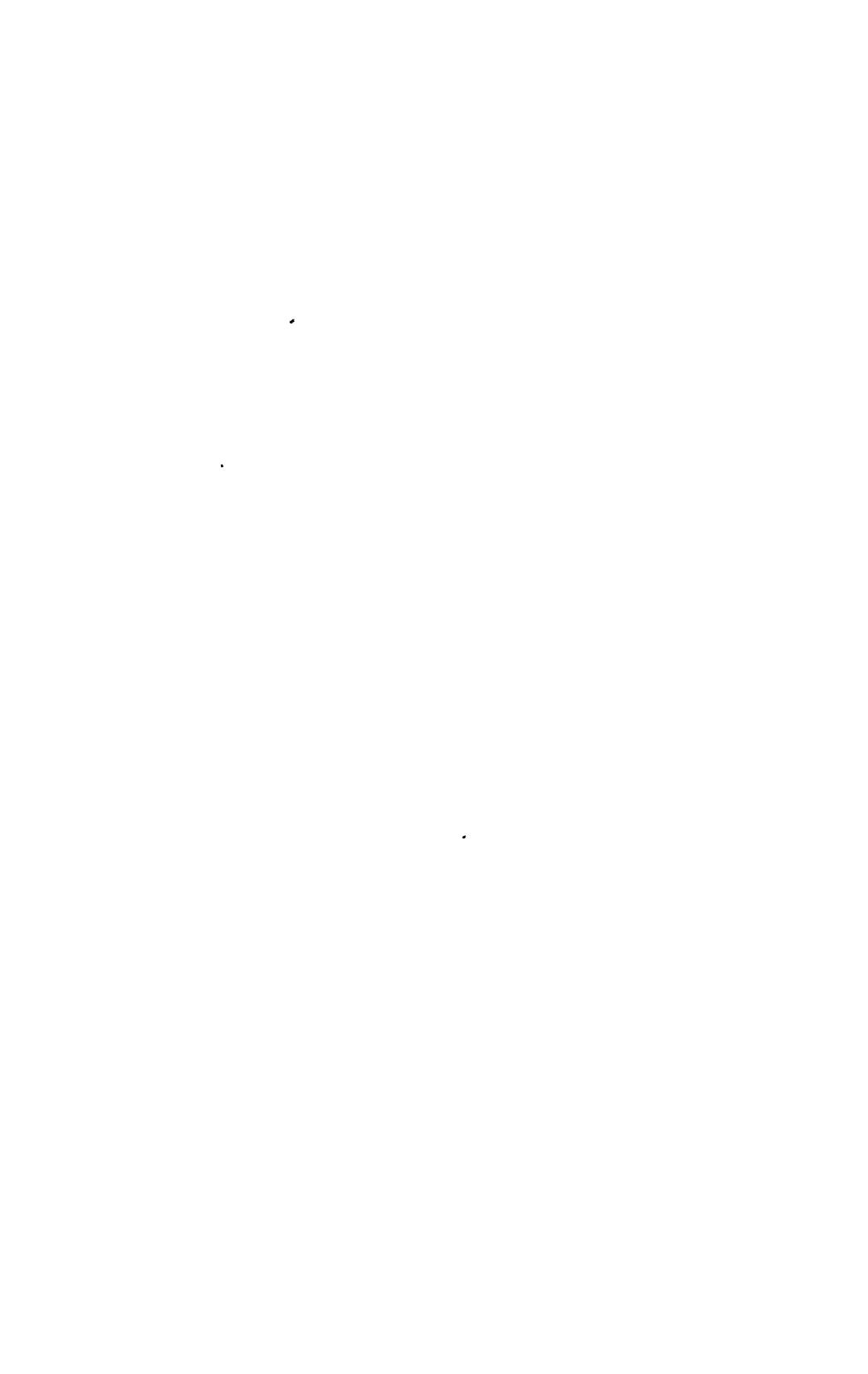
a. Less than Rs. 18/-	18
b. 18 to 35	39
c. 38 to 58	10
d. above 100	1

Note :—Dearness Allowance is paid at 25% plus Rs. 17½, but not exceeding the basic salary. There is provision for Provident Fund. Leave is granted as follows : 15 days casual, 15 days privilege with provision to accumulate upto 2 months and sick 15 days with provision to accumulate up to 6 months.

Production of Khadi in the State by the Charkha
Sangh

Year	Amount O. S. Rs	A.	P
1929-30	82,414	10	6
1930-31	89,449	2	8
1931-32	1,03,582	11	6
1932-33	1,79,722	11	7
1933-34	2,20,891	14	7
1934-35	1,93,558	7	0
1935-36	2,05,580	12	0
1936-37	2,33,415	13	6
1937-38	3,47,183	13	1
1938-39	1,42,955	2	0
1939-40	2,17,294	0	0
1941-42	7,39,543	0	0
1942-43	5,99,053	9	4
1943-44	9,13,261	14	9
1944-45	9,78,185	8	0
1945-46	7,20,750	5	5
1946-47	7,17,741	4	11
1947-48	8,34,006	0	5
1948-49	1,94,467	5	11

PART II



CHAPTER X

TENANCY

We have traced in Chapter III of Part I, the rise and growth of Tenancy in Hyderabad into a problem and the steps taken by the Government to investigate it. This investigation resulted in the enactment of The Hyderabad Asami Shikmis Act in 1354 Fasli. The passing of the Act was generally regarded as an important move in the right direction. The Wet Rate Committee expressed the hope that the Act would greatly improve the condition of tenantry, as it contained "adequate provisions for safeguarding the rights of Kowldars, especially in regard to security of tenure, fixation of reasonable rent and proportionate benefit of suspension and remission of land revenue". As regards remissions of land revenue, the Committee observed that, "such remissions have afforded relief only to landholders and not to the actual cultivators, as tenants dared not claim remission of rents from landlords, lest they should be thrown out of the land, as the period of kowl ran mostly from year to year" The Committee expressed the belief that as a consequence of the enactment of the Act, kowldars would thereafter put in their claims for remission or suspension of rent, without any fear of being evicted from the land.

The subsequent history of the Asami Shikmis Act shows that the high intensions were defeated by the intransigence of the landlords, the ignorance of the tenants and the failure of the Government to implement its provisions.

The Working of the Act : Sample Survey by a Special Officer

In April 1949, Government directed a Special Officer to conduct a survey of the working of the Act in the districts of Nalgonda and Warangal, where agrarian unrest was observed to have been prevailing for some time past. The

Report of the Special Officer disclosed that the working of the Act in those districts was very disappointing. There was a very general ignorance of the Act and the benefits of its provisions did not reach the tenants. The Special Officer observed in the Report, that "though relief in respect of most of the grievances and disabilities of the tenants, like insecurity of tenure, rack-renting, excessive and frequent enhancement of rent, failure to give receipts against payments of rents and to pass on the proportionate benefit of remission and suspension of rent, whenever there was remission or suspension of land revenue by the Government, has been provided by the Act about 5 years ago, almost all the above grievances of the tenants were still there, genuine and well-founded". It was observed that far from securing new rights, the Act had an adverse effect in some cases. Long-standing tenants were evicted for fear they might claim rights under the Act. Landlords thereafter started giving only short leases, mostly for a year. They also began to take more and more land under their personal cultivation. This tendency on the part of landlords, which was observable even for some time before, became more pronounced after the Act came into force. The Special Officer mentions that these facts were generally admitted by the landlords themselves. But all of them denied the existence of any "Protected Tenants" under them and contended that there had been no infraction of legal rights. The Report brought to light a practice which is as mischievous as it was common. Leases were mostly oral and for one year's term. Even in cases where they were reduced to writing, the practice was that only the counterpart, or Kaboliath was written up in favour of the landlord, without any lease deed being executed and passed on by the landlord in favour of the tenant. Another complaint was that landlords were sometimes collecting rent for a larger area than the tenant actually cultivated. Rents were enhanced without any justification. Inspite of the provision of the Act declaring all exactions illegal, there were complaints that landlords were resorting to them here.

and there. For instance, there was a complaint that a big land-owner was forcing his tenants to plough a land which was supposed to be cultivated by him personally, a fixed number of times each season without any payment. It was noticed that there were very few proceedings under the Act in the various Tahsil offices of the two districts.

Act : Publicity by Government

When the state of affairs in the working of the Act came to their notice, the Government took steps to set matters right by giving wide publicity to the provisions of the Act. Printed pamphlets, containing all the salient provisions of the Act, were distributed in all languages in use in the State. From the evidence placed before us it is evident that people generally have come to know of the existence of the Act, only after the Government got it broadcast by pamphlets and other means.

The Government recently appointed Special Officers in Nalgonda and Warangal districts to investigate into disputes under the Asami Shikmis Act in particular.

Working of the Act: Evidence before the Committee

There was a complete unanimity of opinion among the persons examined by us that the Hyderabad Asami Shikmis Act has failed in its operation. We gather that the condition of affairs observed by the Special Officer in Nalgonda and Warangal districts, is not peculiar to those districts but is the same all over. Nowhere were the provisions of the Act applied or resorted to. Insecurity of tenure created by short and yearly leases, frequent evictions, and rackrenting are the common features of all parts of the State. Even section 23 of the Act which lays down that after the commencement of the Act, no lease should be for a period of less than 10 years and that it should be deemed to be for that period even if a shorter period is stipulated between the parties, has not been much availed of by the tenants on account of their general ignorance of the Act. They consequently

were allowing themselves to be evicted at the end of a year or two.

Periodical Statements of the Progress of work under the Act

No periodical statements seem to have been prescribed for watching the working of the Act. The data furnished at our instance from some districts reveal that there were very few proceedings under the Act since it came into operation. When compared to the Bombay Tenancy Act of 1939 on which it has been modelled, the working of the Hyderabad Asami Shikmis Act is very disappointing indeed. According to the information which the Government of Bombay have obligingly furnished us, the number of proceedings under the Bombay Tenancy Act of 1939 from 1946, in which year it was extended to the whole of Bombay Province, was 21,644 for 1946-47, 1,36,020 for 1947-48 and 63,210 for 1948-49.

Striking Results of the Bombay Act

The strikingly successful implementation of the Bombay Tenancy Act may be appreciated from the following figures:

The number of protected tenants under the Tenancy Act of 1939 in the Bombay Province now is estimated at 17,02,662 as against 5,09,002 ordinary tenants and 20,01,631 owner cultivators. In the absence of reliable data based on a properly maintained record of rights, it has not been possible for us to estimate the number of protected tenants, if any, under the Hyderabad Asami Shikmis Act.

Need for Intervention: General Agreement

There is a general consensus of opinion that the present state of relations between the landlords and tenants is wholly unsatisfactory and that the Government should intervene for improving these relations. We may, in this connection draw attention to the views of the Hyderabad State Congress and of the Agriculturists' Association, a representative organisa-

tion of the landlord interests in the State. The Hyderabad State Congress in their Memorandum furnished in reply to the questionnaire issued by us say, that "the Tenancy Law should be amended and strictly enforced throughout the State, as preliminary to a complete nationalisation of land". They have also indicated the amendments that are deemed necessary by them. The Agriculturists' Association goes a step further and says that "absentee landlordism has been the bane of agriculture, impairing productivity and creating discord between the land-holder and the tenant. No agrarian reforms, however comprehensive they may otherwise be, would achieve material results if they do not tackle the problem of tenancy in a forthright manner. It cannot be controverted that tenancy in any form, notwithstanding any modification that may be sought to be introduced in the terms of tenancy would impair agricultural efficiency. The crux of the problem is not so much the incidence of high rent, or even the insecurity of tenure, which no doubt adversely affect the productivity to a marked degree, as it is the absence of feeling of ownership of land, which alone would act as a strong incentive to sustained effort of the tenant. As any reforms, short of transferring the right of ownership to the tenant, would not improve materially the yield of the land, legislation to bring about the removal of tenancy and the payment of fair compensation may be introduced without further delay. It may be noted that retention of tenancy in any form in these days of agrarian unrest would be exploited by the unscrupulous political agitators to promote class hatred".

In another portion of the memorandum they reiterate their view in these words. "It is our considered opinion that having regard to the inherent drawbacks of tenancy nothing short of its abolition would improve the condition of the tenantry and of the agricultural efficiency; no amendments to the Act, however far reaching their effects might be would remove the disabilities of the tenants." They, therefore, urge that there should be new legislation prohibiting

tenancy in any form subject to exceptions in the case of widows, minors and such other persons or religious and charitable institutions.

Basic Concepts of Tenancy Legislation

The view expressed by the Agriculturists' Association thus questions the very basis of Tenancy legislation and raises the issue whether any tenancy legislation can ever effectively give security of tenure to the tenant and remove his other disabilities. For a proper appreciation of the point raised, the failure of the Tenancy Act in Hyderabad affords no assistance for, whatever merits it might possess are obscured by the presence of extraneous factors like general ignorance and defective implementation, which have virtually made it a dead letter. The history of tenancy legislation in other parts of India will, however throw a helpful light on the question.

Tenancy Legislation in India : Its Objectives

The first Tenancy Enactment in India was in Bengal in the year 1859. Thereafter tenancy Acts were enacted in almost all provinces of India, in one form or another. From time to time there were amendments designed to remove defects noticed in the working of the Acts or to further improve the position of the tenant. The problem which all the Tenancy Acts tried to tackle was absentee landlordism and its complement, tenancy. The potentialities of absentee landlordism are very well described by Carver. He says that "next to war, pestilence and famine, the worst thing that can happen to a rural community is absentee landlordism than which there is nothing more calculated to the depletion of the fertility of the soil, agricultural inefficiency and alround misery". The results observed of absentee landlordism were insecurity of tenure to the cultivator, rack-renting, absence of incentive for effecting improvements to land and conflict of interests leading to constant friction. All the tenancy legislation in India sought to remove or

mitigate these evils. We may point out that till recently all the tenancy legislation in India covered only Zamindaris, governed by Permanent Settlement Regulations. It was strictly confined to the relations between zamindars and their tenants. Nonetheless, it is relevant to the issue in question, because the problem of absentee landlordism and tenancy is essentially the same, viewed from the position of the tenant, whether the landlord is a Zamindar under the Permanent Settlement System or a Talukdar under the Temporary Settlement system or a Raiyatwari pattedar under the Raiyatwari System. The two objectives that guided all tenancy legislation were :

1. Providing security of tenure and
2. Bringing about harmonious relations between the landlord and tenant.

The method adopted for realising the first objective was by attempting to secure to the tenant the benefits of what are called the 3 F's *viz.*,

1. Fixity of tenure for a longer or shorter period of time,
2. Fair and reasonable rents and
3. Fair compensation for improvements effected by him.

The second objective was sought to be achieved by a statutory declaration of the respective rights and liabilities of landlords and tenants. It was believed that this would result in harmonious relations being established between the parties. The principle which guided the various Governments in all the steps they took for the solution of the problem was in the words of the Tenancy Committee "to hold the scales even between the landlord and the tenant by the safeguarding of the legitimate rights of both," and "to harmonise the relations between the landlord and the tenant and not widen the gulf between them".

Results of Tenancy Acts

We may briefly notice the position as it ultimately emerged after all the tenancy legislation. Firstly as all the tenancy legislation was based upon the recognition of landlord's right of property in land, it allowed to him wide powers of land management. As included in them, a right of eviction of tenants was also necessarily conceded to him. But it was subjected to many restrictions and limitations. The inter-play of the right of eviction and the restrictions imposed on it resulted in legal complexities. They in turn led to a crop of protracted, and very often vexatious litigation between the parties. The tenant with his more limited resources could never emerge successful as against the superior abilities and greater resources of the landlord.

For instance we may examine the experience of the United Provinces. After a series of Tenancy Acts, the United Provinces Tenancy Act of 1939, consolidated the separate Tenancy Legislation of Agra and Oudh, and finally conferred hereditary rights on all tenants and thereby provided against arbitrary ejectment. But such ejectments did not come to an end as desired on account of certain loopholes in the Act resulting from an attempt to balance the conflicting claims of landlords and tenants. The enormous increase in the amount of litigation and ejectments that followed may be appreciated from the following figures. During the period 1939 to 1945, the total number of proceedings disposed of was 7,97,195. Out of them, in 6,63,169, cases ejectment was actually ordered. The extent from which ejectment actually took place was 8,06,477 acres.

The position as it resulted from the various Tenancy Acts has been described as "a system of dual ownership where the landlord has been reduced almost to the position of a mere receiver of rent yet the tenant is not the owner. Whilst compensation for improvements and safeguards against capricious eviction do not

satisfy the tenant, real security of tenure is odious to the landlord. The existing system, therefore creates bad blood and engenders class-war. It has helped in bringing about a rural society, where the few in whom proprietorship of the land is vested have interests differing from those of many who actually cultivate it.....The ratio of rent receivers to cultivating tenants for all India was 8:125. Instead of ensuring social peace and justice in the country, therefore, which ought to be the aim of all social organisations, the existing land system of India is a prolific cause of disturbance of public peace, it has directly or indirectly led to riots and affrays resulting in criminal prosecutions and consequent misery".

Factors Militating against the Success of Tenancy Legislation

We find the position in other parts of India too is not very much better, though tenancy legislation there is centuary old. It is being increasingly realised that certain fundamental and basic factors in the agrarian economy, by their inter play, have in a large measure nullified all the beneficial intentions of the tenancy legislation so far attempted. These factors, it is believed, are the ignorance and illiteracy of the cultivators, the intense land hunger and competition among them on account of limited availability of land, and the absence of alternative means of livelihood. How these factors have rendered infructuous all the provisions of tenancy legislation intended to give protection and security to the cultivator, is referred to by the Royal Commission on Agriculture of 1928 in the following words.

They observe, "to a very great extent, the cultivator in India labours not for profit nor for a net return, but for subsistence. The crowding of the people on the land, the lack of alternative means of securing a living, the difficulty of finding any avenue of escape and the early age at which a man is burdened with dependants, continue to force the cultivator to grow food wherever he can and on whatever terms

he can. When his land has passed into the possession of the creditor, no legislation will serve his need; no Tenancy Law will protect him; for food he needs land and for land he must plead before a creditor to whom he probably owes more than the total value of the whole of his assets. That creditor is too often a landlord of a different class, who has no natural or historical connection with his estate and is only interested in the immediate exploitation of the property in his control."

Objectives : Tenancy Reform

It is clear that the objectives of reform so far as they relate to the problem of absentee landlordism and tenancy, should be re-examined and reformulated. All the earlier attempts at regulation of tenancy having failed, there should now be a change in the method of approach to this question. It has been said that social or economic problems, like enemy fortifications, can be by-passed but they rarely surrender unless they are attacked. Legislation hereafter will have to be curative and not mere palliative as it was before. The real and lasting solution of the problem of tenancy is to remove the cause of tenancy as otherwise so long as the cause is there, tenancy is bound to be there; and no amount of tenancy legislation as we have seen already, will provide real security of tenure to the cultivator. The fundamental factors which have neutralised all the previous tenancy legislation are bound to be there for a long time to come till there is an appreciable rise in the general level of literacy and in the standard of life of rural population and of the country as a whole. The conclusion is, therefore, forced on us that absentee landlordism, the root cause of tenancy should be abolished in the interests of agriculture and society and that the objective of agrarian reform should be nothing short of the elimination of all intermediaries between the tiller of the soil and the State. Absentee landlordism has no justification whatsoever nor any reason to continue to exist as a recognised institution. For as James Stewart Mill points out, "the reasons which form justification of property in land are valid only in so far as the proprietor is its

improver In no sound theory of private property was it ever contemplated that the proprietor should be merely a sinecurist quartered on it." Private rights in land stand entirely on a different footing from rights in other kinds of property. Property in land confers upon the owner a right, the exercise of which affects others much more vitally than a similar right in any other kind of property. Agriculture being of vital concern to the country as the very "basis of national life", the justification of allowing private right in land, which is a national asset, is that by the proper exploitation of it the owner fulfils an important economic function and performs an useful social service. The absentee landlord does not fulfil any necessary or indispensable economic function. He has developed into a mere "parasite"; he has neither the interest to utilize the land efficiently nor the willingness to improve it properly; and he stands in the way of others doing it, for want of sufficient guarantee that they will reap the fruits of such improvements. There is no gainsaying the fact that a sufficient and effective incentive, consequent upon real security is provided only when the cultivator owns the land he cultivates. Only then a part of the produce of the land atleast, has a chance of going back to it to enrich it. Further so long as the disassociation of or divorce between ownership of land and the cultivation of it, resulting in the stratification of the society into two classes, landlords and tenants, with ever conflicting interests, is there, there can never be the atmosphere of peace and security to the cultivator, to inspire him to a better and more efficient utilisation of the land and greater agricultural production, the two crying needs of the day. The objective of any further reform measures should therefore be the elimination of absentee landlordism and tenancy, by making ownership of land and cultivation of it coincide with each other.

Mr. N. Gangulee who was a member of the Royal Commission on Agriculture of 1928 says that reforms, "must begin with the simplification of the land tenure system of the

country; and the time is passed for fitful efforts. The actual tiller of the soil must be the proprietor of the land. Once this is done, you will prepare the way for many other conditions precedent to rural and agricultural developments."

The potentialities of this line of reform for providing an effective and lasting solution of the problem of tenancy are exemplified by the great success that has attended the efforts made in Ireland. Ireland had the tenancy problem in an acute form. But by a series of measures beginning with the Ashbourne Act of 1883 and culminating in the Wyndham Act of 1903 the problem was solved very effectively. By 1937 the percentage of tenancy farming in Ireland was reduced to zero. In the south-eastern countries of Europe, agrarian reform has proceeded on similar lines.

Social & Political Considerations also Support our Conclusion

The conclusion that tenant cultivators should be enabled to become the owners of the land they cultivate, is supported by political and social considerations.

"Ownership of land" one writer has remarked, "tethers a man to law and order better than all the laws of the statute books. It breeds in him a sense of personal worth and family pride. It identifies him with the community he lives in and gives him a proprietary interest in the school and other organisations and enterprises of his home town or home community. It enables him to hold his family together, makes him a better father, a better neighbour, and a better citizen mainly because it makes him a stable responsible member of society."

On the otherhand, "Tenancy" it is pointed out, "is unfavourable to freedom.....the tenant has no income; no country, no hearth, no domestic altar, no household God. The free-holder, on the contrary, is the national supporter of a free Government, and it should be the policy of Republics to multiply their free-holders as is the policy of monarchies to multiply tenants."

Public Opinion in other Parts of India

Our conclusion that there can never be real security of tenure to the tenant or real incentive to him for efficient cultivation of land so long as the ownership of the land does not reside in him and that therefore, the tenancy problem should be attempted to be solved by the elimination of all intermediary interests in land between the cultivator and the State, is supported by the trend of current opinion in other parts of India. Based on the experience of the various Tenancy Acts, the opinion in India has veered round to the view that any measure of reform in relation to tenancy, should no longer seek to regulate tenancy system by conferring some rights or further rights on the tenants but should be directed towards providing facilities to the tenant to become the owner of the land he cultivates by purchase, at a price deemed reasonable by the Government. This reorientated objective of reform in respect of the solution of the tenancy problem, is reflected in the views expressed by almost all the Committees which have in the recent past investigated into the land problem in various provinces of India, beginning with the Bengal Land Revenue Commission of 1940, presided over by Sir Francis Floud. This Committee observes of this class of absentees landlords and rent-receivers that "it has become an incubus on the working of agricultural population, which find no justification in the performance of any material service, so far as agricultural improvements are concerned, and fails to provide for any effective means for the development of the resources of the land". In accordance with this finding, they recommended that all interests between the actual cultivator and the State should be eliminated and direct relations established between the tiller and the State.

The National Planning Committee

The National Planing Committee, under the chairmanship of Pandit Jawaharlal Nehru has also come to the same conclusion.

The United Provinces Legislative Assembly passed a resolution on the 8th August 1946 whereby it accepted the principle of the abolition of the Zamindari system, which involves elimination of intermediaries between the cultivator and the state and payment of equitable compensation for them. To work out a scheme for the purpose it appointed a Committee, which has come to the conclusion that "Land should be held only by cultivators and that subletting should not be allowed excepting in the case of minors, widows and such others." The U P Zamindari Abolition and Land Reforms Bill of 1949 provides not only for the abolition of zamindaries but also seeks to evolve a new system of land tenure combining some features of peasant proprietorship and of self-governing village communities. Under the Bill, after the abolition of zamindaries, two main classes of tenure-holders viz., Bhumidars and Sirdars and two minor classes viz., Asamis and Adivashies are envisaged. The two provisions of interest in the present discussion, are those by which Sirdars are enabled to acquire rights of Bhumidars by payment of a certain amount to the Government. More important than that, the other provision which enables an Adivashi—a sub-tenant, to acquire a Bhumidari right by payment to the landholder of a prescribed amount of money, deserves notice.

Madras & Bihar

In Madras and Bihar also there has been recent legislation which is confined to the elimination of such of the intermediaries between the cultivator and the State, as are zamindars governed by the Permanent Settlement Regulations and whole village inamdaras.

The Orissa Land Revenue and Land Tenure Committee, which has submitted its Report, after we have entered on our enquiry, has come to a similar conclusion that all non-cultivating intermediaries between the tiller of soil, (whether they are Zamindars, Inamdaras or Raiyatwari pattadars) and the State should be eliminated, and that the tenant, should

Bombay

The same trend is reflected in the recent legislation undertaken by the Government of Bombay, viz., The Bombay Tenancy and Agricultural Lands' Act of 1948. This legislation is of particular interest and we shall have occasion to refer to it more than once in the course of our Report. Its importance for us lies in the fact that it was passed as an improvement upon the prior Bombay Tenancy Legislation viz., The Bombay Tenancy Act of 1939, which provided the basis and model for the Hyderabad Asami Shikmis Act of 1954 F. While the Bombay Tenancy Act of 1939 represented the old objective of tenancy reform viz., an attempt to control and regulate tenancy, the later Act exhibits a marked change in the objective and reflects the current opinion in the rest of India that tenancy reform should no longer be confined to mere regulation of tenancy but should be directed towards the elimination of tenancy system altogether. On the objective which animated them in enacting the recent legislation, the Government of Bombay observe that it is "to improve the economic and social conditions of agriculturists and ensure full and efficient use of land for agriculture". They say further that the "ultimate aim..... in the matter of land reform is that there should be no intermediary left between the Government and the cultivator in order to stop any exploitation of the person who actually cultivates the land". It is also their objective "to create and encourage peasant proprietorships in respect of holdings of suitable sizes". The Act confers a right on protected tenants to purchase from their landlords the lands they cultivate at a reasonable price.

The Government of Bombay hope that by the various provisions in the Act, which confer on the protected tenants the right of purchasing the land cultivated by them, which prevent transfer of land to non-agriculturists and also compel landlords to sell their lands to their tenants in the first instance, the number of non-cultivating intermediaries between the Government and the cultivators will be removed gradually, increasing the number of peasant proprietors.

The Bombay legislation has also another speciality about it. It is the most comprehensive legislation of all the tenancy legislation in different parts of India. It is equally applicable to Zamindars, Talukdars, Khatedars, Inamdaars, and Raiyatwari Pattedars in their relations with their tenants. While there has been tenancy legislation in one form or the other in the various provinces of India, most of them were meant for and were applicable only to zamindars and their tenants. There has been no statutory attempt to regulate and control the relations between the raiyatwari pattedars and their under tenants. As such, Bombay Province has the distinction of having enacted a comprehensive legislation regulating the tenancy relations of the raiyatwari pattedars and their tenants also.

The objectives of the economic policy and programme of the Indian National Congress, in their latest phase also reflect the same view. The Indian National Congress by its resolution at the Karachi Session of 1931 and the Faizpur Session of 1936 formulated its programme on the basis of regulation of tenancy by securing fixity of tenure and fixity of rent to the tenant. Later, as a result of the experience gained under the various Tenancy Acts there was a change in the objectives. The later objective finds expression in the Election Manifesto of the Indian National Congress of the year 1945. The relevant portion reads, "The Reform of the land system, which is so urgently needed in India, involves the removal of intermediaries between the peasant and the State. The rights of such intermediaries should, therefore, be acquired on payment of equitable compensation. While individual farming or peasant proprietorship should continue, progressive agriculture as well as the creation of new social values and incentives require some system of co-operative farming suited to Indian conditions".

The Indian National Congress appointed a Sub-Committee in November 1947 under the chairmanship of Pandit Jawaharlal Nehru to re-examine and reformulate the

economic policy and programme. This committee recommended that all intermediaries between the tiller of the soil and the State should be eliminated and laid down that the basic principle of the pattern of future economy should be that "hereafter land should be held for use as a source of employment only". Later, on the unanimous suggestion of the Revenue Ministers' Conference, the President of the Indian National Congress, appointed the Agrarian Reforms Committee under the Chairmanship of Sri J. C. Kumarappa. The Committee expressed as its opinion that "in the agrarian economy of India there is no place for intermediaries and land must belong to tiller". The Committee also recommended that "the tenants should have the right to purchase the holdings at a reasonable price to be determined by the Regional Land Tribunal".

Public Opinion

Our conclusion that tenancy reform should be directed towards the eventual elimination of tenancy altogether and not to the mere regulation of it, is largely supported by the public opinion in Hyderabad as revealed by the replies to the questionnaire issued by us and by the evidence of witnesses during their oral examination. We wish to draw attention to a few expressions of opinion in particular. First we may refer to the Agriculturists' Association of Hyderabad State. In a passage already quoted by us, they express themselves thus, "Absentee landlordism has been the bane of agriculture impairing productivity and creating discord between the landholder and the tenant. No agrarian reforms, however, comprehensive they may otherwise be, would achieve material results if they do not tackle the problem of tenancy in a forthright manner. It cannot be controverted that tenancy in any form, notwithstanding any modification that may be sought to be introduced in terms of tenancy would impair agricultural efficiency. The crux of the problem is not so much the incidence of high rent or even the insecurity of tenure, which no doubt adversely affect the productivity to a marked degree, as it is the absence of feeling of owner-

ship of land, which alone would act as a strong incentive to sustained effort of the tenant. As any reforms, short of transferring the right of ownership to the tenant would not improve materially the yield of the land, legislation to bring about the removal of tenancy and the payment of fair compensation may be introduced without further delay. It may be noted that retention of tenancy in any form in these days of agrarian unrest would be exploited by the unscrupulous political agitators to promote class hatred".

In answer to question 44 as to whether any modifications of the Hyderabad Asami Shikmis Act are considered necessary or desirable, they say that, "it is their considered opinion that having regard to the inherent drawbacks of tenancy, nothing short of its abolition would improve the condition of the tenant and the agricultural efficiency; no amendments to the Act, however far reaching their effects might be, would remove the disabilities of the tenant." In his memorandum, Rajah Rameshwar Rao of Wanaparti says that "all these questions arise only if it is taken for granted that tenancy system should exist. The point should also be considered whether it is at all necessary for the tenancy to be retained as a form of landholding. Would it not be better to abolish tenancy in all its forms in relation to land, the landholder being allowed to retain that much of land which he is prepared to cultivate through his own cattle, farm implements, and hired labour and the State taking over all land in excess of what the landholder personally cultivates, under the Acquisition Act, paying reasonable value in cash to the landholder?..... There does not seem to be any justification for tenancy to arise in any form. If a landholder wants to have the land, he should cultivate it under his own direction with his cattle, farm implements, and hired labour; but in no case should he be allowed to lease it out and pave the way for absentee landlordism to develop. An exception can be made in the case of widows, minors and the insane or disabled. If this policy is accepted, the landlord-tenant problem will cease to exist." Further he says that

"in the light of the present circumstances tenancy itself should be abolished and no half way measures by the way of modification of the Hyderabad Asami Shikmis Act will solve the tenancy problem."

Mr. Jennareddy Raglotham Reddy who is a landholder owning 300 acres of wet land and about 1,000 acres of dry land besides pastures, says in his memorandum that "it is very necessary that land should belong to the farmer. The intermediaries, whatever their usefulness in the past, have outlived that period and must be removed as peacefully as possible. In fact the final solution of the problem will lead to more peace within agriculture itself and the profession of farming will be able to have better leadership".

He says in regard to tenancy problem that "as an ultimate goal we must accept its abolition as very desirable". He suggests that all lands that are on lease continuously for three years should be acquired on payment of equitable compensation.

Mr. Laxminivas Ganeiwala in the memorandum sent on behalf of the Federation of Commerce and Industries says, "it must be admitted that even this limited landlordism does hamper the improvement of our agricultural economy. Land must belong to him who is prepared and ready to devote his entire time and energy for the same. Otherwise the owner does not take interest in the land because he is pre-occupied with his other work and his tenant also is disinterested because he has no durable interest in the same. The wealth of the land thus remains untapped and the nation as a whole is ultimately the sufferer.

"To eliminate this, such absentees should be discouraged by all possible means from possessing those lands. Their income from land may be heavily taxed, and the proceeds of such taxes should be devoted to the improvement of the general agricultural economy. Tenants should be granted more and abiding rights in respect of the land they cultivate and the rents should be decreased as far as possible".

We have drawn particular attention to the above four expressions of views as they are of people whose opinion is entitled to weight in this context. The evidence of the two editors, Mr. Narotham Reddy of the 'Golkonda Patrika' and Mr. Narsinga Rao of the 'Raiyat' also is to the same effect. We wish also to draw attention to the opinion of the Hyderabad State Congress on the matter. They say that the following should, inter alia, be one of the pivotal points of reform measures: 'land should be cultivated primarily as a means of livelihood of the peasant and as such should be in the exclusive possession of the cultivator and freed from all burden'. As one of the amendments to the Asami Shiknis Act, they suggest that 'the protected tenant shall be entitled to purchase the land either under his occupation or the land contiguous to one under his occupation, subject to the conditions of the unit of economic holding, from the landholder'.

Some of the representatives of the Hyderabad State Congress urged before us that tenancy should be completely abolished as a system. But some others have stated that if a person holds more than 50 acres he should be compelled to lease all the excess over 50 acres to others.

Compensation to Intermediaries

While there is a general consensus of opinion about the desirability and the imperative necessity of the elimination of all intermediaries, the evidence before us discloses a conflict of opinion on the method and the manner of achieving such a result. There is one school of thought which advocates that such elimination should be done by a simple process of expropriation of all intermediate interests without the payment of any compensation to them. There is another school of thought which advocates such an elimination by the acquisition of the interests concerned by the State itself. According to this view any compensation that may be payable should be paid by the State, and thereafter the ownership of lands acquired should be transferred to the

tenant cultivator. There is yet another view which considers that such an elimination should be by enabling the tenants of the lands concerned to purchase them on payment of a reasonable price.

Expropriation without Compensation

The method of expropriation without compensation is neither morally justifiable nor socially desirable: we do not consider that it is legally possible either. So long as rights of property in other kinds of means of production are allowed to exist, expropriation of rights in land alone, we are afraid, would amount to an invidious discrimination against one section of people. Nationalisation of land, with abolition of all private rights, is advocated based on the experiment made in Soviet Russia, but the differences "in political experience, social background, emotional response", and traditions between Russia and this country are vital rendering any experimentation unsuitable, undesirable and even dangerous here. The balance of sober public opinion is proponderatingly against such a method being imposed on the country.

Acquisition and Payment of compensation by the State

The second view on the matter as we have pointed out, is that State should acquire the interests of all intermediaries above the tiller of the soil and pay compensation therefor and thereafter transfer the lands with full rights of ownership to the cultivators. In an earlier Chapter we have indicated the magnitude of the problem of absentee landlordism in Hyderabad. Having regard to this, we consider that the elimination of intermediaries by the acquisition of their interests by the State on payment of compensation is impracticable. It would throw an enormous burden on the exchequer of the Govt., leading to financial complications. Further any such step at present will further accentuate the existing inflationary tendencies.

Purchase by Tenants

The last of the alternative methods suggested is by giving to a tenant the right to purchase from his landlord, the leasehold land he is tilling on payment of a reasonable price. This method has the merit of being eminently practicable for the solution of the problem on hand. While acquisition of all interests at one time by the State may cause a sudden disruption of the prevailing economy, this method, on the other hand, ensures a gradual and an almost an imperceptible elimination of absentee landlords, without causing new complications. It has the further justification that the person who stands to benefit ultimately by the transaction, pays the price necessary for the purpose, instead of profiting at the cost of the general tax-payer. It is further being adopted generally in all other parts of India. The recent United Provinces Zamindari Abolition and Reforms Bill of 1949 provides that an Adivasi, a sub-tenant can acquire the rights of a "Bhumidár"—who corresponds to a raiyatwari pattedar and holds land directly under the Government by the payment of a certain multiple of the rent payable for the land to the landholder or the Bhumidár of the land. Similarly the Bombay Tenancy and Agricultural Lands Act of 1948 provides that a "Protected" tenant can compel the landlord to sell the land to him for a reasonable price, which may be determined by a Tribunal appointed for the purpose. The earliest legislation in India framed on the same lines was that of Central Provinces of 1940, whereby occupancy tenants were conferred the right of becoming the owners of the land by paying 10 to $12\frac{1}{2}$ times of the rent to the landlord. The recent Orissa Land Revenue and Land Tenure Committee has also recommended this method.

Reforms Recommended

We consider that the elimination of all intermediate interests between the cultivator of the soil and the State should be recognised as the final objective in the

solution of the problem of tenancy. But we are fully conscious of the necessity of bringing about such elimination gradually and peacefully. Non-cultivating ownership of land has risen to its present dimensions because law did not prohibit it. Law all the while recognised it as an institution by enacting Tenancy Legislation to govern it. Non-cultivating ownership of land has been recognised so long and its ramifications have become so wide-spread, involving possibly a very large number of people with rights in small bits of land, that any sudden and precipitate attempt at eliminating all such interests, may lead to large-scale dislocation and hardship which should be avoided in the larger interests of society. The line of reform we recommend below has, we believe, the merit of achieving this object.

We have kept in view the necessity of ensuring the steps suggested being within the realm of immediate and easy practicability. It has been further our desire to suggest changes within the framework of the existing state of our agrarian economy, without involving any possibilities leading to disruption. It is for these reasons that while recommending a complete abolition of tenancy system and elimination of absentee landlordism as the final objective of reform, we have come to the conclusion that this should be attempted to be achieved by that method which ensures a gradual and almost imperceptible elimination of absentee landlords without bringing about any new complications.

We shall now proceed to indicate the lines of reforms that should be adopted and the various amendments that should be introduced in the Tenancy Law.

1. Firstly the definition of "Protected" tenant in Section 3 of the Hyderabad Asami Shikmis Act of 1354 F. should be enlarged and widened. The present definition has been rendered ineffective by the unscrupulous action of the landlords and the general ignorance of the tenants. Tenants who satisfied the requirements of Section 3 were in many

cases evicted immediately before and after the Act. They have been thus prevented from acquiring right of "Protected tenants" under the Act. Apart from it, another factor also deserves to be considered in this connection. For the last two or three years there have been unsettled conditions in many parts of the State on account of the Razakar and Communist illegal activities. Not only tenants but even landholders have been forced to leave their lands and villages and seek refuge in places of safety. In some parts of the State, Communists have illegally dispossessed people from their lands and unauthorisedly distributed the same to others who had no manner of right. In this distribution not only big and small land-owners but also tenants and people of all grades and means seem to have been victims. In view of these facts, we consider that the definition of "protected tenant" should be enlarged in the following way :

Besides tenants who have cultivated a land for a period of 6 years continuously between Faslies 1342 and 1352 as provided for in Section 3 of the Act, all persons who had cultivated for a period of 6 years continuously on the first day of January 1948 or the date of commencement of any new legislation that may be undertaken should be included within the definition of "protected tenants". Secondly, all tenants in possession of land on the date of commencement of the new legislation should be deemed to be "protected tenants" unless the landlord takes steps to prove to the contrary, before an appropriate authority within a period of one year from the commencement of the operation of the new legislation.

2. The period mentioned in Section 4 sub-clause (2) should be extended to six years from the expiration of the two years' period mentioned in the sub-clause (2). This provision otherwise will continue to be infructuous as it has been till now. It lays down that a tenant who had held a land continuously for a period of not less than six years, between the Fasli years 1342 and 1352 should be deemed to

be a "protected tenant" within the meaning of the Act, even if he had been evicted from his holding on or after such a period, and that he can recover possession of it if he claims within two years after the commencement of the Act, by a notice in writing to the landlord. But most of the tenants who satisfy the requirements of previous possession but were evicted on or after such period, could not avail themselves of this provision within the period of two years allowed to them, on account of their ignorance of the Act itself. Though they know it now, they find the remedy barred as the two years' period has expired long ago. These tenants have been deprived of their legitimate rights by the unauthorised actions of the landlords. We, therefore, consider that such tenants should be enabled to establish their rights by an extension of the period of two years mentioned in sub-clause (2) of Section 4. This will give an opportunity to such tenants to put in their claims and establish their rights. We find that sub-clause (3) of Section 4 of the Act, empowers the Government to extend the time limit of two years mentioned in sub-clause (2) by such period as they may deem fit. We recommend that the Government may take immediate action under the powers vested in them by Section 4 to extend time to six years as we have indicated above. We feel that this should be done by the Government apart from any new legislation they may undertake.

3. The definition in clause (j) of Section 2 should be modified on the lines of the Bombay Tenancy and Agricultural Lands Act of 1948, so as to mean cultivation by servant on wages payable in cash or kind but not in crop-share.

4. Similarly the definition of "Agriculture" in clause (a) of Section 2 should be modified so as to include the growing of grass also. A new sub-clause must be added to Section 2 defining the term "To cultivate" and meaning "to carry on any agricultural operation."

In order to put land reform on a basis wherefrom it may be possible to carry out the main objective of elimination of

all intermediate interests between the cultivator and the State with the least disturbance to the present economy, tenants should be enabled to become owners of the land they cultivate. For this purpose a "protected tenant" should be given the right to purchase from the landlord the land held by him as a protected tenant. The tenant should be enabled to compel the landlord to sell the land at a fair and reasonable price subject to the following restrictions :

A protected tenant shoud have the right to compel the landlord to sell the land, provided he does not hold as an owner, land the extent of which does not exceed the area of an " "Economic Holding", determined by the Government for the local area in which such land is situated. If the land held by the protected tenant falls short of the requisite size of an 'economic holding", the protected tenant will have a right of compelling the landlord to sell such an area as would be sufficient to bring up the tenant's holding to the requisite size of the economic holding. As we said the protected tenant should pay a fair and reasonable price for the land. As to what would constitute a fair and reasonable price for this purpose, evidence before us discloses a diversity of opinion. The difference of opinion extends to the basis of computation of a fair and reasonable price and to the amount or quantum of it as well. The Hyderabad State Congress, for instance suggests that a price of 250 per acre for dry land and Rs. 500 per acre for wet land will be a reasonable price. The Agriculturists' Association urges that the present market value after deducting 25%, which the landlord should forego, will be a reasonable and proper price. Some others advocate that reasonable price should be fixed on the basis of annual gross produce ; while yet others suggest that rent alone would be the proper basis. There is a similar difference of opinion with regard to the quantum of the reasonable price. Different people suggest different multiples of either the gross produce or the rent. We find all these different views reflected elsewhere in India also. The Orissa Land Revenue and Land Tenures Commi-

ttee recommends four times of the annual gross produce as a reasonable price the tenant should be made to pay. But the Central Provinces and United Provinces legislation lays down multiples of rent ranging from ten to fifteen times as the reasonable price. The recent Bonibay enactment does not attempt to lay down any fixed principle on this point.

Firstly, we are of opinion that neither the market value nor the annual gross produce is the proper criterion for the computation of the reasonable price a protected tenant has to pay. Judicially it is said ownership is a bundle of rights. *Exhypoth:* even before he attempts to purchase the land cultivated by him, a protected tenant has, by law, some very substantial rights in it. To the extent such rights inhere in him, they detract from the absolute ownership which might have vested in the landlord before. The rights that thereafter vest in the landlord are not consequently, rights of the absolute or full owner of the property. If the protected tenant wants to buy out the interests remaining with the landlord, what he has to pay for is not therefore, a complete right of ownership as in an ordinary transaction of sale. A transaction of sale between a protected tenant and the landlord amounts to a transaction in respect of only such of the rights out of the bundle of rights constituting full ownership that still reside in the landlord as a partial owner. There is absolutely no justification, therefore, for forcing the protected tenant to pay to the landlord the market value, as in an ordinary transaction of sale in favour of a person who has no pre-existing rights in the subject matter of sale.

Secondly, for the same reason we do not think that annual gross produce can be the proper basis either. We therefore consider that for the purpose of assessing a fair and reasonable price a protected tenant will have to pay, rent is the proper basis of all.

As to what multiple of rent will constitute a fair and reasonable price, we have had a number of suggestions. But, we are afraid whatever multiples have been suggested

are arbitrary and only reflect individual predilection. As we have pointed out already, while the Central Provinces legislation has adopted ten to twelve and a half times of the rent as the reasonable price, the recent United Provinces legislation lays down fifteen times of the rent as the fair and reasonable price. But after a consideration of all factors and particularly of the pre-existing rights of the protected tenant, the reasonable and proper price he should be made to pay to the landlord should be not less than eight times and not more than twelve times of the average rent paid by him for the land during the immediately preceding eight years. Within these limits, the actual price should be determined after due enquiry, by a Tribunal which should be specially created for the purpose. The above period of eight years should be calculated with reference to the date of application of the protected tenant for the determination of such reasonable price.

For purposes of determination of the reasonable price the protected tenant should actually pay to the landlord, we consider that a Tribunal should be specially created as the recent Bombay legislation has done. Apart from the determination of the reasonable price for the land, this Tribunal should be entrusted with the function of determination of reasonable rent and compensation for improvements effected by a protected tenant.

The evidence before us has disclosed a general feeling that a maximum should be put on the amount of rent that the landlords should be allowed to collect from their tenants. The rates generally suggested are.

1. For irrigated lands under tanks, canals and all other sources excepting wells	$\frac{1}{3}$ of the gross produce.
2. For all other lands, including irrigated lands under wells	$\frac{1}{4}$ of the gross produce.

We consider the above rates are reasonable and proper maximum rates of rent. We therefore recommend the above rates as the maximum rates which may be incorporated as such in any new legislation that may be undertaken. Subject to the above maxima, the reasonable rent payable by a tenant should be determined by the Tribunal. This Tribunal should consist of three or more members, one of whom atleast, should be a person who has held or holds a judicial office not lower in rank than that of a District Munsiff, for a period of five years. If such a person is not available and as a last alternative atleast one of the member of the Tribunal should be a revenue officer not lower in rank than a Tahasildar with five years or more service.

The landlords' right of resumption of land from a protected tenant, should be strictly limited to the ground of the land being required by the landlord for his own personal cultivation. This right of resumption should further be subject to the following restrictions :

1. If the landlord has already under his personal cultivation land of an extent equal to the size of an "economic holding" that may be determined by the Government for the local area in which such land is situated, the landlord will not have the right of resuming any portion of the land in the occupation of a protected tenant.
2. If, on the other hand, the land under the personal cultivation of the landlord is less in extent than the appropriate economic holding determined for local area by the Government, the landlord may resume such an extent of land from the protected tenant as would be sufficient to bring up the land cultivated by him to the requisite size of an economic holding determined by the Government.
3. Right of resumption of land from the possession of a protected tenant should be strictly limited to pur-

poses of personal cultivation of the landlord and should not extend to non-agricultural purposes as it is now.

9. As a logical corollary of our main recommendation that the objective of reform should be the complete abolition of tenancy as a system and the elimination of all intermediaries between the cultivator and the State, we are of opinion that steps should be taken to prevent the re-emergence of tenancy in future. For this purpose there should be no letting or subletting of land in future except in special cases. But as a peremptory prohibition of all leases may possibly create some dislocation and inconvenience, we think a transitional period should necessarily be provided. This, we believe, will pave the way smoothly to the final objective, giving people sufficient time to adapt themselves to the contemplated changes and rearrange their affairs accordingly. An unduly long period of transition may defeat the end in view and similarly an unduly short period might not serve the purpose intended. We, therefore, suggest that a period of three years would be sufficient to cover the transitional stage. After this period of transition all leasing and sub-leasing of agricultural land should be completely prohibited except in the following cases :

Women, minors, people having physical or mental disability or infirmity and persons serving in the army, navy or air force should be exempted from the above rule. Further exception should be made in the case of persons who are temporarily prevented from cultivating their lands on account of any inconvenience or difficulty of a short-term nature. The evidence before us tends to establish as one of the results of the provision in the Assam Shikmis Act, which lays down that all leases made subsequent to the commencement of that Act should be for a period of not less than ten years and that they are not liable to termination within such a period of ten years, even if a shorter period is stipulated between the parties, has been that landholders who are temporarily prevented from cultivating their own lands

personally on account of some inconvenience or difficulty brought about by causes beyond their control, prefer to keep their land fallow rather than lease it out to others for cultivation, for fear they will be prevented from reverting to personal cultivation for a period of ten years even if the disability or inconvenience has ceased to operate much earlier. The one consideration that has guided us in all our deliberations has been to bring about a position in which the ownership of the land and cultivation of it coincide with each other. If a landholder is temporarily prevented on justifiable grounds from cultivating his land, we consider, he should not be prevented from reverting to personal cultivation as soon as he is able to do so. In such cases, we feel, there should be a provision enabling landholders to give leases of short duration, co terminus with the causes preventing personal cultivation. But all leases made even in these exceptional cases should be with the permission of the Talukdar and for such a duration as he may permit. Further all such leases should last only for the duration of the disability or inconvenience and should automatically terminate with the ceasing of causes necessitating them or by the death of either the landholder or the tenant.

Barring the exceptional cases mentioned above, there should be a total prohibition of all leases, from three years after the commencement of any new legislation that may be undertaken. All leases made thereafter under exceptional circumstances should be by registered documents. Contravention of any of the above rules should render such leases void and any person who enters into possession of any land by or under such leases should be liable to ejection by the Talukdar *suomoto* or on application by the landholder for the purpose.

All leases made during the transitional period of three years from the commencement of any new legislation, should be governed by the ten years rule provided for in Section 23 of the present Asami Shikmis Act. That is, all leases made in this period should enure for a period of not less than ten

years, irrespective of the period agreed to between the parties and should not be liable to termination except on grounds provided for by law.

All protected tenants who may purchase land from their landlords in pursuance of any new legislation enabling them to compel the landlord to sell the land, should be prohibited from transferring it by sale, gift, mortgage or assignment without the previous sanction of an appropriate authority designated by the Government for the purpose. Protected tenants of the same village should be allowed to if necessary, exchange lands held by them as such tenants with the permission of such authority.

Right of user in respect of trees and their produce should be extended to all tenants, whether protected or not. The distinction drawn in this connection between protected and other tenants in Section 19 of the Asami Shikmis Act of 1854 F., should be removed. All tenants should have a right to the produce and wood of all trees planted by them in the lease-hold lands, whether with or without the consent of the landlord and they should be entitled to compensation for such trees, if and when they are evicted. For purposes of fixation of rent, neither the trees nor their produce should be taken into account.

But in respect of the produce and wood of trees naturally growing on the lease-hold land the tenant and the landlord should be entitled in the following proportion : $\frac{2}{3}$ to the tenant and $\frac{1}{3}$ to the landlord respectively.

The right allowed to tenants under the Asami Shikmis Act in respect of the sites of dwelling houses, we consider should be extended to agricultural labourers and artisans on the lines of Bombay Act of 1948.

As we have indicated in an earlier portion, there has been a tendency on the part of landholders to keep their land waste and uncultivated rather than give it on lease to tenants

There are also cases of lands being left uncultivated on account of strained relations between the landlords and the tenants. Apart from these, there are very many instances where lands are insufficiently utilised, thus inhibiting full agricultural production. In view of the food scarcity that has been confronting the country, such non-utilisation or improper utilisation of agricultural lands could not be permitted. It is the duty of the Government in the interest of society to see that all the natural resources are properly exploited to ensure sufficient food production. The Government should have the power to regulate agriculture and interfere in all cases of bad management of land. There should be a provision of law to enable the Government to take over the management of land wherever necessary. We may in this connection draw attention to the fact that recently the Governments of Bombay and Madras have assumed such powers.

16. The recent Bombay legislation contains two provisions relating to rent paid as a crop-share. One provision empowers the Government to notify in relation to any area, that thereafter the prevailing crop-share rent should be commuted into cash rent. The second provision lays down that remission or suspension of rent consequent upon remission or suspension of land revenue by the Government should also extend to cases where rent is paid as a crop-share or Batai, as it is called. We are not in agreement with either of these two provisions of the Bombay legislation and we therefore do not propose to recommend them.

17. Having indicated all the main lines of reform we recommend, we do not propose to give all the minor amendments we consider necessary and desirable in detail, as we are appending hereto a draft bill incorporating all our views.

The success or otherwise of any piece of legislation or reform however well-intentioned or comprehensive it may be, in a very large measure depends upon the machinery devised for carrying it out. Whatever merits the Hyderabad Asami

Shikmis Act of 1354 F., might possess have been obscured by non-implementation. The chief defect was that no record was maintained of the tenants to whom important rights had accrued under the Act. We are therefore of opinion that apart from the machinery for implementation at higher levels, proper arrangements should be made to record tenancies forthwith, with details of names of the landlords and tenants, whether the tenant belongs to the category of protected tenants or not, area of the land held as a lease-hold, rent payable etc. Such a recording of tenancies probably could be done without any difficulty in Taluks where a Record of Rights is maintained under the Regulation. But the Record of Rights work has been introduced only in a few districts of the State and even in respect of these, the records are not complete or up-to-date. We therefore, consider that a special Record of Tenancies should be separately maintained and entries therein should have the same validity as those in the Record of Rights. Eventually this would be merged in the Record of Rights maintained under the Regulation.

To start with, a record of tenancies may be opened immediately and the Village Officers should be enjoined to enter all the tenancies in that register with all necessary details. To facilitate incorporation of all changes that may take place from time to time, we recommend that all fresh leases should be compulsorily registrable either under the Registration Act or in any other manner the Government may prescribe. Copies of leases should be sent to appropriate authorities designated by the Government.

This work connected with recording of tenancies may perhaps cause some difficulty in the Jagir areas of the State. We have indicated in an earlier chapter, how for a long time some Jagirdars were laying claims to rights in the soil and how they were seeking to reduce the occupants in Jagir areas to the position of mere tenants. We have also given instances where Jagirdars got their own names or the names of their close relations or nominees entered in the village records in respect of land, which had been in the cultivating

possession of others for long. The Amending Act No. 3 of 1355 F., to the Land Revenue Act VIII of 1317 F., declared that the occupants in Jagir areas stand on the same footing as Pattedars in the Diwani areas. This Enactment put an end no doubt to the controversy so far as the legal aspect of it was concerned. But unless a close scrutiny is made into the village records, how far this legal pronouncement has been able to undo the mischief, cannot be estimated. For this purpose, as a first step, seri land of the Jagirdar should be demarcated from the rest of the land in Jagir area. It is only after such a demarcation takes place that it will be possible to decide whether a peasant in possession of the land has the rights of a pattedar vested in him in respect of that land or whether he is a mere tenant of the jagirdar's seri land. Thus it is only after the status of cultivators in possession of land in jagir areas is determined, that they can be entered in the Record of Tenancies as tenants, if the land in their possession is established to be the seri land of the jagirdar.

19. Our recommendation that the protected tenant should be empowered to compel the landlord to sell the land may, in case the land happens to be an unenfranchised inam land, have an effect on the tenure on which it is held. In such cases we are of opinion, that the land should be enfranchised and after a protected tenant purchases the same, full raiyatwari assessment should be imposed thereon.

20. Any sale in favour of a protected tenant of an unenfranchised inam land should take place only with the previous sanction of the Government.

SUMMARY OF THE RECOMENDATIONS

1. The definition of "Protected Tenant" in Section 3 of The Hyderabad Asami Shikmis Act, 1354 F. should be enlarged so as to include all tenants who had cultivated a land continuously for a period of 6 years previous to 1st January 1948 or the date of commencement of the operation of the new legislation that may be undertaken.

2. Tenants who were in continuous possession of a land between 1342 and 1352 Faslis but were evicted thereafter, should be enabled to establish their claims even now. Section 4 of The Hyderabad Asami Shikmis Act prescribes a time limit of 2 years from the commencement of the operation of that Act for this purpose. This time limit should be extended to six years.
3. The definition of "to cultivate personally" should be modified so as to exclude cultivation by servants on wages payable in crop share.
4. Similarly the definition of "Agriculture" should be amended so as to include the growing of grass also.
5. All protected tenants should be given a right to compel their landlords to sell the land held by them for a price which shall not exceed 12 times or be less than 8 times of the average rent paid for the land during 8 years immediately preceding the application by the protected tenants for fixation of reasonable price.
6. For the determination of reasonable price within the limits of 8 to 12 times of the rent, a Tribunal consisting of 3 or more people should be specially created. Besides the determination of reasonable price for the land for purposes of purchase by a protected tenant, this Tribunal should be entrusted with the function of determining reasonable rent and compensation for improvements made by a protected tenant.
7. The following rates shall be the maximum rates of rent :
 1. For irrigated land under tanks, canals and all other sources excepting wells, $\frac{1}{3}$ rd of the gross produce.
 2. For all other lands including irrigated lands under wells $\frac{1}{4}$ th of the gross produce.
8. The landlord's right of resumption of land from a protected tenant on the ground of the land being required for the cultivation of the landlord, should be subject to the following restrictions :

1. If the landlord has already under his personal cultivation land of an area exceeding the size of an 'economic holding' determined by the Government for the local area, in which the land is situated, the landlord should not have any right to resume the land from the possession of a protected tenant. If on the other hand, the land under the personal cultivation of the landlord is less than an "economic holding" determined by the Government for the local area, the landlord should be allowed to resume such an extent of land from the protected tenant as would be sufficient to make the land under his personal cultivation come up to the size of the appropriate "economic holding" of the local area.
2. The right of resumption of land from the possession of a protected tenant should be confined only to cases where the land is required for the personal cultivation of the landlord and should not, as it is now under the Hyderabad Asami Shikmis Act, extend to the ground of the land being required by the landlord for non-agricultural purposes.
9. After a period of 3 years from the commencement of new legislation, there should be a total prohibition of all leasing or sub-leasing of agricultural land, subject to certain exceptions as in the case of women, minors or persons having physical or mental disabilities and persons serving in the Army, Navy or Airforce. There should be another exception in the case of short leases which are rendered necessary by temporary inconvenience or disability.
10. Three years after the new legislation, any lease of agricultural land should be with the permission of the Talukdar and for such period as he may permit.
11. Any lease made in contravention of the above rules should be void and any person who enters into possession of land by or under such a void lease should be liable to eject-

ment by the Talukdar of his own accord or on the application of the landlord.

12. Any lease made after the commencement of the new legislation and within three years thereafter should be for a period of ten years.

13. All leases made after the commencement of the new legislation should be by documents registered under the Registration Act or in any other manner that may be prescribed.

14. All rights of a protected tenant should be heritable.

15. Protected tenants who purchase land under the new legislation should be prohibited from transferring it by sale, gift, mortgage or assignment, without the previous sanction of an appropriate authority designated by the Government.

16. The right of user in respect of trees and their produce should be extended to all tenants and compensation should be payable to them for trees planted by them in the lease-held land, if and when they are evicted.

17. In respect of trees naturally growing on the land the tenant and landlord should be entitled to the produce of such trees in the proportion of $\frac{2}{3}$ and $\frac{1}{3}$ respectively.

18. The right allowed under the Hyderabad Asami Shikmis Act to tenants in respect of sites of dwelling houses should be extended to agricultural labourers and artisans.

19. The Government should be empowered to take over the management of land wherever there is improper or insufficient utilisation of agricultural land.

20. A Record of Tenancies should be introduced immediately.

21. In case the land to be purchased by a protected tenant under the new legislation, happens to be an un-enfranchised *inam*, it should be enfranchised and after purchase full raiyat-wari assessment should be levied thereon.

CHAPTER XI

SIZE OF HOLDINGS

We have been asked (1) to examine the question of placing a ceiling on the size of agricultural holdings having due regard to local conditions and the disposal of land in excess and (2) to recommend the measures to be taken to deal with uneconomic holdings by compulsory consolidation, co-operative farming or otherwise.

From the point of view of agricultural production, it is not the size of holdings that matters so much as the size of farms. A holding means "all the lands in which one person has a permanent and heritable right of occupancy," while a farm means all the plots of land cultivated by a single person as a holder or as a tenant. The one is the unit of property. The other is an unit of cultivation. As the Famine Enquiry commission have observed "practically no information is available about farms" and we have necessarily to confine our attention to the size of holdings. The distinction is not perhaps of such significance as regards medium estates which are generally cultivated by the owners.

We have to consider what should be deemed an economic holding, as it is with reference to the concept of such a holding that either the ceiling or the floor of a holding can be determined.

In the questionnaire we have issued, we defined an economic holding as one which in a normal year and with the present methods of cultivation, allows a cultivator a chance of producing a surplus after meeting all necessary and incidental expenses, sufficient to provide him a fair standard of living and allows him to keep himself and his family in reasonable minimum of comfort according to Indian standards without obliging him to incur debts.

In determining the size of an economic unit various factors such as the methods of production, the nature of the crops raised, the productivity of the soil and the technique and organisation of agriculture have to be taken into account. An economic holding must be of such size as to provide full and continuous employment to a farmer and his family and the income from it should be sufficient for them to live in reasonable comfort. The connotation of the term necessarily varies from time to time and from country to country. While 75 to 100 acres may be an economic holding in a country like England, this would be considered too small in the United States of America, where the average size of a farm is 150 acres. On the other hand, it would be considered much too large in countries where peasant farming predominates. In India the qualities of soil, rainfall, irrigation facilities and other factors of production vary so greatly not only from region to region but from village to village that it is impossible to say that a particular acreage would serve the dual purpose of (i) providing full employment to a farmer and his family with his limited resources, and (ii) ensuring the best crop out-turn.

Dr. Mann defines an economic holding as one which will provide an average family with the minimum standard of living considered satisfactory. He puts the size of such a holding in a Deccan village at 20 acres. According to Keatinge, an economic holding should allow a man a chance of producing sufficient to support himself and his family in reasonable comfort after meeting his necessary expenses. He puts such a holding in the Deccan at 40 to 50 acres of fair land in one block with atleast one irrigation well. On the basis of an economic survey conducted in 24 villages, Prof. S. Keshava Iyengar considered 5 acres of wet or 15 acres of dry land as constituting the minimum size of an economic holding in Telengana. Apparently, he meant subsistence living. This shows how there can be a variety of opinion depending upon one's conception of the standard of comfort to which the raiyat is entitled.

For our present purpose, the main principles of agrarian policy to be kept in view are:

- i. The agrarian economy should provide all opportunities and facilities for the development of the personality of the cultivator.
- ii. There should be no scope whatsoever for exploitation of one class by another.
- iii. There should be full and continuous employment to the average labour and equipment resources of a family.
- iv. There should be sufficient land-surface which will lead to maximum efficiency of production.
- v. The reforms suggested should be within the realm of practicability.

Divergent views have been expressed before us on the subject of what constitutes an economic holding. These views may be summarised under two heads :

1. For a Family of five members with a pair of bullocks and a plough, the optimum should be 25 acres of dry land or land the assessment of which is Rs. 35/-, whichever is less. This view has been advanced by the Hyderabad State Congress. It will be seen that the State Congress was considering this problem in terms of the minimum unit of production.
2. Diametrically opposed to this view is that of the Agriculturists' Association and some of the representatives of the Hyderabad State Congress, who advocate the fixation of an economic holding on the basis of a reasonable minimum income. The Agriculturists' Association in their Memorandum observes thus :

"The minimum size of an economic holding which provides a cultivator with a fair standard of living with a reasonable minimum of comfort is a holding which yields a monthly income of Rs.150." .

Considering the degree of fertility and other factors they suggest different sizes for different parts of Telingana. Some of them are quoted below :

"Cultivation of both dry and wet land is necessary to off-set the vagaries of monsoon and to facilitate mixed farming, which alone imparts balanced economy to the cultivator. The minimum economic holding should be as follows (considering the degree of fertility and other factors) in respect of different Taluks :

a. Taluks of Warangal, Mahboobabad, Pakhal Khammam, Madhira, Janagaon, Huzurnagar, Suriapet (part) ;

i. 8 acres of wet land and 64 acres of dry land (of which 44 acres may be chalka and red soil and 20 acres may be black cotton soil)

or ii. if only wet land is available, 20 acres of such wet land ;

or iii. if only dry land is available 120 acres of such dry land (of which 90 acres may be chalka or red soil and 30 acres may be black cotton soil)

or iv. if only chalka red soil is available 150 acres of soil

or v. if only black cotton soil is available 75 acres of such soil.

b. Taluks of Nalgonda, Miriyalguda, Devarkonda and Suriapet (part)

i. 20 acres of wet and 150 acres of dry land or

- ii. where only wet land is available, 35 acres of such wet land, or
- iii. where only dry land is available, 400 acres of such land.

NOTE 1 :— In a major part of Karimnagar District soils are similar to those of Warangal and Mahboobabad Taluks, while soils in a major part of Mahboobnagar District are similar to Nalgonda and Deverkonda Taluks

NOTE 2 :— On an average it is not possible to cultivate more than 75% of the wet land every year, having regard to the vagaries of the monsoon.

NOTE 3 :— The acreage referred to above is with reference to lands of average fertility.

NOTE 4 :— It should be noted that 3 acres of dry land has to be set apart for the sustenance of a pair of bullock—2 acres for pasture and 1 acre for fodder crop.

NOTE 5 :— Except in very few cases, wet cultivation alone is not undertaken.

NOTE 6 :— In fixing the size of a holding total failure of dry crops once in five years should be taken into consideration.

NOTE 7 :— To facilitate crop rotation, $\frac{1}{3}$ to $\frac{1}{4}$ of the dry holding has to be kept fallow".

As stated already, some of the representatives of the Hyderabad State Congress are of opinion that the standard suggested in the official memorandum of the Congress would not be sufficient even for subsistence while others hold the view that though it may be applicable to Marathwada, it will not suit Telingana, since wet land with an assessment of Rs. 35/- in this tract will hardly be 2 to $2\frac{1}{2}$ acres. On the other hand the suggestion of the Agriculturists' Association

that an economic holding should be based on income from it seems to be realistic. It is not enough if a peasant finds employment for his family, a plough and a pair of bullocks which are described as the basic units of agriculture, he must be able to get a return that would ensure his family a reasonable standard of comfort. The income of an industrial labourer now-a-days is not less than Rs. 50/- per month and generally more than one member of a worker's family earns this wage. When the minimum wages of agricultural labour are statutorily fixed, it may be expected that it would approximate that figure. There is no reason why a peasant cultivating his own land and contributing not only his own labour and that of his dependents but also some capital and taking the risks inherent in agriculture, should be condemned to a lower standard of living than that considered appropriate in other comparable occupations. Our view, therefore, is that a holding cannot be considered economic unless it yields an income of Rs. 150/- per month to a farmer and his family consisting in all of five persons, two of whom atleast are generally working members. In the absence of statistics regarding gross produce on various soils and sizes of farms in the different regions, the cost of production and family budgets, it is difficult to say in terms of acreage, what constitutes an economic holding. The factors to be taken into account are so varied in their nature that it is inadvisable to fix an uniform size for the whole State. A detailed enquiry must be held in order to determine the proper size of an economic unit for each district or part of a district according to the local circumstances. In the light of such enquiry the Government should by rule prescribe the size of economic holdings in such a way as to secure for the cultivator an income of about Rs. 150/- per month. Broadly speaking, 8 or 10 acres of wet land and 50 acres of dry land in Telengana and 50 acres of black cotton soil in Marathwada would perhaps constitute an economic holding in the sense just mentioned.

While agrarian policy should be directed to the preservation and progressive increase of economic holdings, it is

obvious that such an ideal pattern of landholding cannot be fully or easily evolved. Some holdings larger in size than an economic unit and numerous holdings of much smaller sizes will necessarily continue to exist and the principles to be adopted in dealing with them should be determined. We therefore, proceed to state what should be regarded as a minimum holding, otherwise known as the "basic holding" or "standard area." A minimum or basic holding is a holding of a size that just pays the cost of cultivation in a normal year. We may put this at 2 acres of wet or 15 acres of dry land. All holdings below this size should be consolidated and formed into larger units, if their existence is not to prove a handicap to agricultural production.

MAXIMUM HOLDINGS

The fixation of a maximum limit has been the subject of ideological controversy ; but there is also an economic justification for restricting the size of holdings. The efficiency of a farm increases upto a certain size and thereafter the Law of Diminishing Returns begins to operate. It is therefore argued that a holding should not exceed the size at which production begins to fall off.

On ideological grounds it is stated that land is a gift of Nature and it is unfair that some persons should hold large areas while thousands of others eke out a bare living from small holdings. It is argued that wide disparities in agricultural income militate against the National well-being. The new Indian Constitution, which is shortly to be adopted, lays down that the ownership and control of the material resources of the community should be so distributed as to subserve the common good and that the operation of the economic system should not result in the concentration of wealth and means of production to the common detriment.

The fixation of a ceiling on the size of agricultural holdings is thus no longer an academic question. It has become or will soon become a statutory necessity.

Some of the persons who favoured the Committee with their views argued that no maximum need be specifically fixed in the event of the total abolition of tenancy, as the landowner would then be compelled to keep only so much land as he personally cultivated and this would automatically reduce holdings to a reasonable size. The advocates of this view have added that if a maximum is at all to be fixed, it should be "in terms of the Congress (National) Economic Planning Committee which has fixed the income of Rs. 4,000, per month as the maximum".

On the other hand, there is a current of public opinion which considers that under the present technique of cultivation, and having regard to the managerial capacity and financial resources of an average cultivator in India, the optimum size of a holding should be fairly low.

Neither of these extreme views in our opinion really meets the case. To fix a limit of maximum holdings with reference to agricultural income of Rs. 4,000, is virtually to deny the need for any limitation at all. We have postulated that no person should retain in his possession more land than he can personally cultivate and that the leasing of lands for rent should cease. It is doubtful whether in these circumstances any one can obtain from cultivation an income approximating to Rs. 4,000, per month.

The suggestion that a maximum holding should not exceed 3 times an economic holding is equally unacceptable. This would preclude the existence of any fair sized holdings which could be cultivated on up-to-date lines and serve as models of good husbandry. Capital, enterprise and intelligent leadership are the crying needs of Indian Agriculture and they could not be attracted if the reward besides being uncertain, is so meagre. The majority of us consider that a maximum holding should be fixed at 10 times the size (or income) of an economic holding. Dr. Rao, however, is decidedly of opinion that a maximum holding should not exceed 5 times the size of an economic holding and that this

should suffice to secure the objects just mentioned. Referring to the possible objection that the imposition of such a ceiling in one sector of economy might lead to anomalies. Dr. Rao observes in the words of the Congress Agrarian Reforms Committee "we are concerned only with agrarian economy but we have every hope that a similar principle of distributive justice will be applied to the other sectors of our economy."

It should not preclude the existence of fair sized estates which could be cultivated on up-to-date lines and serve as models of efficient husbandry. In this view a majority of us consider that the maximum size should be fixed at 10 times the economic size. One of us, however, is decidedly of the opinion that a maximum holding should not exceed 5 times the size of an economic holding and that this would suffice to secure the objects mentioned while giving the cultivator a decent enough income.

DISPOSAL OF SURPLUS LANDS

Several people have put forward the suggestion that excess land should be acquired by the Government on payment of equitable compensation and distributed among the uneconomic holders. We are not impressed with this view. It would be better to enable tenants to purchase land which they cultivate, if they wish to own it. The Government might create facilities for this purpose through the Land Mortgage Banks or otherwise. But to subsidise the purchase of lands would be demoralising. Further the surplus land that could be secured will not be sufficient to raise even 25% of the uneconomic holdings to an economic level. On an examination of the figures relating to the extent of land that would be available for distribution by reducing the large farms in the United Provinces, the U. P. Zamindari Abolition Committee observed that "these figures show that the cutting down of all the holdings above 25 acres (their maximum limit) will have only a negligible effect on agricultural economy and will not appreciably reduce the number of uneconomic hold-

ings. In addition to this we must note that an immediate cutting down of large farms might reduce the quantity of grain available in the market." They conclude with the following words "on a consideration of all these difficulties we do not think that the results achieved by the redistribution of land will be commensurate with the discontent and hardship resulting from it".

We entirely agree with this view. No Provincial Government has as yet attempted to acquire and distribute surplus lands to the holders of sub-economic holdings.

Our object in suggesting a ceiling on holdings is to prevent undesirable accumulation of landed property in the hands of a few persons in future. We do not regard the redistribution of surplus lands held by present owners as lying within the range of practical politics. We have not overlooked the fact that the possession of land beyond a certain limit imposes a social responsibility. We have therefore made certain suggestions for granting pre-emption rights to all protected tenants and for ensuring that, save in exceptional cases, every landholder cultivated his lands personally and efficiently. Neglect or mismanagement of land are penalised by providing that such lands may be taken over by the Government. The result of these measures would be to reduce large estates to a reasonable size without resorting to measures which are certain to upset agrarian economy and social order.

UN-ECONOMIC HOLDINGS

We have been asked "To recommend the measures to be taken, to deal with uneconomic holdings by compulsory consolidation, co-operative farming or otherwise".

Consolidation of uneconomic holdings should be carried out as far as possible by voluntary methods through co-operative agencies. But this may need to be supplemented by compulsion in special cases. If fragmentation has assumed serious proportions in any particular area, the Government should have power to effect compulsory consoli-

dation. For this purpose, we propose legislation on the lines of the Bombay Prevention of Fragmentation and Consolidation of Holdings Act of 1947 which has been followed by the East Punjab also. Under this Act, the provincial Government has power to fix and determine in relation to any local area and the class of land, the extent that can be cultivated profitably as a separate plot which is called the standard area and any plot of land below the appropriate standard area is defined as a "Fragment". On the notification of this standard area all fragments have to be entered as such in the Record of Rights or the Village Records. Transfer or lease of such fragments is prohibited except when they become merged with a contiguous survey number or a recognised sub-division of a survey number. Any transfer or partition of any land which will create a fragment is prohibited. Contravention of this rule renders the transfer or partition void and makes the owner liable to a fine not exceeding Rs. 250. Courts are also prohibited from permitting partitions which result in the creation of a fragment. Section 15 empowers the Government to declare its intention to make a scheme for consolidation of holdings in relation to any area, of its own accord without any reference to any application by landholders or their willingness.

In this connection we may refer to a suggestion made by a few of the gentlemen who appeared before us that the Laws of Inheritance might be altered so as to obviate the evils of sub-division and fragmentation. This view has not found any general support, and the time does not appear to be ripe for any change in the Law of Inheritance. It may, however, be provided by law that a person shall have the right to constitute a permanent economic holding by registering it as such before a public authority. Not many perhaps will avail themselves of such an option but even if a few did so, the idea would in course of time gain popular support.

MODES OF FARMING

We have been asked to consider the prospects of co-operative farming. In our opinion this mode of farming

has undoubtedly possibilities. It is perhaps the only practicable means by which sub-basic or sub-economic units of land could be efficiently cultivated. We recommend that steps may be taken on the lines adopted recently by the Government of United Provinces in their recent Bill *viz.*, The United Provinces Zamindari Abolition and Lands Reforms Bill, 1949. In order to remedy the inefficiency and waste involved in the cultivation of un-economic holdings, they have provided for the establishment and encouragement of co-operative farming. In the Statement of Objects and Reasons, the Government of U. P., observe as follows:

"There will be two kinds of co-operative farms:

- i. small co-operative farms of 50 acres or more constituted by voluntary agreement among ten or more cultivators, and
- ii. co-operative farms comprising of all the un-economic holdings in a village. The latter type can be established if two-thirds of the holders of uneconomic holdings in a village apply for the registration of such a farm: on their doing so the remaining one-third will have to join.

As soon as a co-operative farm has been established consolidation proceedings will be taken up. The members of the co-operative farms will retain their individual rights in the land contributed by them. Model bye-laws will be framed by the Government to provide for the management of cooperative farms, maintenance of accounts, distribution of produce and other details. As co-operative farming is regarded as the most effective method by which maximum use can be made of land, it is intended to organise a drive for the encouragement of co-operative farms. A large number of facilities will be given to such farms which may include exemption (partial or total) from agricultural income-tax, reduction in land revenue, priority in irrigation, the right to

acquire suitable areas of vacant lands, financial aid in the form of loans or subsidies and technical advice from Government experts ”

There will of course be great reluctance on the part of cultivators with their long cherished individualistic ideas to join such an enterprise but persuasion and propaganda will in time overcome this reluctance and people will come to appreciate the value of an organisation which combines the advantages of large scale enterprise with freedom of the individual and the development of social values.

CHAPTER XII

RURAL INDEBTEDNESS AND CREDIT FACILITIES

In an earlier Chapter we indicated the extent of agricultural indebtedness in the State and mentioned that according to Mr. Bharucha the total debt amounted to Rs. 64½ crores, giving an average of Rs. 30/- per head. We may here briefly consider whether any substantial part of this debt has been discharged and to what extent the ryot has been benefited by reason of the enhanced prices he has been able to obtain for his agricultural produce during the past few years.

The authors of what is known as the Bombay Plan who estimated the total agricultural debt of undivided India at Rs. 1,200 crores were of the view that a good portion of this debt must have been paid off.

Referring to the period 1942–45, the Bengal Famine Commission observed “in view of absence of reliable statistics, it is impossible to estimate the extent of reduction in agricultural indebtedness as a result of high prices for agricultural produce. The replies which we have received indicate however, that there has been a substantial reduction in all provinces. This appears to be particularly true of cultivators with large holdings and considerable proportion of those possessing medium holdings. The hopeful significance of this fact for the future development of agriculture should not be underestimated merely because the proportion of such classes to the total rural population is not much. It should not be overlooked that the proportion of land held by this class is large. In so far as the burden of debt has hitherto stood in the way of improvement and better cultivation of land the outlook for the future may be regarded as reasonably bright in respect of the greater part of the

cultivated land of the country. Judging from the replies received from a large number of provinces, it appears that small holders as a class have not benefited materially".

The United Provinces Zamindari Abolition Committee has stated that an enquiry into the rural indebtedness instituted by the U. P. Government was still going on and nothing could be said definitely or authoritatively about the position in that province. But enquiries in other provinces they add, show that rural indebtedness has increased and the condition of the peasantry has worsened.

In Mysore, an economic survey was conducted in 258 typical villages in connection with the Census of 1941. The same villages were re-surveyed in 1945-46 with a view to determine whether the burden of debt had been affected as a result of the larger money incomes which the cultivators were obtaining. The conclusion reached was, "that during the last 4 years the average ryots owning limited extents of land and the landless classes including tenants and labourers have not been benefited by the rise in the prices for agricultural products. But on the otherhand, their position has grown worse and their debt has increased. It is only the few big landlords and businessmen who had opportunities for profiteering during the war that have derived benefit on account of the rise in prices and they form only a very small percentage of the total population. There are indications that many of them have liquidated their debt or cleared off a good portion of it." The Commissioner of Economic Development and Planning in Mysore observed, "The re-survey has disclosed some interesting facts. Possibly the most important of the findings, is that contrary to the general impression, the amount of indebtedness far from being reduced, has actually registered an increase on the whole."

In our questionnaire and also in the course of our oral enquiries we endeavoured to ascertain the views of well-informed persons on the subject. Although there was no

uniformity in the views elicited, the balance of opinion was decidedly in favour of the view that in Hyderabad the agricultural classes as a whole, including a proportion of the smaller cultivators, have been able to discharge an appreciable portion of their debts in recent years. This seems to be quite probable having regard to the circumstances mentioned below:

1. If the conclusions of Mr. Bharucha are accepted as correct, the average incidence of agricultural debt in this State is somewhat lighter than in the provinces.
2. The average size of holdings in Hyderabad is larger than in the rest of India.
3. The raiyat is accustomed to raise commercial crops side by side with food crops. The former commanded relatively higher prices, as will be seen from the statement Appendix 'E'. showing the annual average prices of important agricultural commodities in regulated markets from 1941-42 to 1947-48. There is reason to believe that considerable extents of land in large and small holdings was devoted to the cultivation of commercial crops and pulses which were not subject to control and fetched relatively high prices. It is true that a proportion was legally fixed of the area that could be so cultivated but in the nature of things such restrictions could not have been rigidly enforced.

We conclude therefore, that there has been some lightening of the burden of debt in the recent past and that the relief is not confined to large landowners only. But this fact affords no ground for more than ephemeral satisfaction. Already there are indications that the cost of cultivation and the cost of living even in the villages has increased to such an extent as to neutralise the benefit obtained by the agriculturist for a few years, from the increased price of his produce. The problem of rural indebtedness remains substantially unsolved.

The Debt Conciliation Act

It has been stated already that the number of Boards has been gradually reduced and that only 9 Boards are now functioning. This decrease coincides with a corresponding fall in the number of cases registered. As will be seen from Appendix "F", the number of cases instituted in 1349 F., was 4035. This number has since progressively gone down and in 1357 F., only 119 cases were registered. The Act evidently failed to bring any tangible relief to the indebted raiyat who is naturally reluctant to take proceedings under the Act against the village sowncar and risk the stoppage of credit from the only source ordinarily available to him. And the real burden of debt having eased in recent years as a result of general inflation, the incentive is even less now-a-days to ask for conciliation under the Act. Apart from this, the Act is somewhat narrow in its scope and the relief that a Board can give to a debtor is slender and dependent on the consent of the creditors. The latter would not too readily agree to any settlement which often resulted in merely declaring the amount of the debts due to them without enabling the debtor to discharge his debts except by the sale of his entire properties.

If the Act is to be of any real use, arbitration should be made obligatory without reference to the wishes of the creditors and the Board should be empowered to reduce the total debt to an amount that brings it within the paying capacity of a debtor. We understand that proposals for the amendment of the Act on these lines are already before the Government. In any case it is necessary that the debtor should be enabled to pay off the debt as settled by the Board and it is therefore suggested that the revised Act may be applied only in those local areas where Land Mortgage facilities have been made available.

Money-Lenders Act

Mr. Bharucha has stated in his Report that "the number of professional and agricultural money-lenders in the

312 selected villages was reported to be 5,274 and the number of pattedars and hissedars in those villages was 55,027. This gives an average of one money-lender to 10 clients." If this is anywhere near the mark, the fact that only 14,667 were registered under the Act as moneylenders shows that even from the start, the attempts made to enforce the Act were inadequate. The Committee gathered that in recent years very little attention has been paid to ensuring that all moneylenders obtained or renewed licenses, as the case might be. With greater vigilance and effort on the part of the local officers concerned, it should be possible to bring the business of moneylending in rural parts under more effective control. It may be noted that the Moneylenders Act is intended to regulate and control the business of moneylending not only in the rural parts but also in the urban areas. Its provisions in regard to such matters as, the maximum rates of interest and protection of debtors from molestation are undoubtedly wholesome. The Act should therefore be retained on the statute book and properly enforced.

Prevention of Alienation of Agricultural Lands Act

All the persons who replied to our questionnaire and those who gave oral evidence on this point were of the unanimous opinion that the restraint on alienation provided for in the Prevention of Alienation of Agricultural Lands Act is necessary and desirable. But there was almost equal unanimity of view that the definition of agricultural classes and groups according to the schedule was arbitrary, discriminatory and indefensible. The benefit of the Act is denied to certain castes and communities while it is secured to others with no better claim to be regarded as hereditary agriculturists. To prevent whole communities from acquiring land would be perpetually to consign them to urban life and non-agricultural pursuits. Such discrimination is totally foreign to the spirit of New Indian Constitution that has just taken its final shape. What is chiefly

needed is firstly that persons who have no intention of personally cultivating land should not be allowed to acquire it and secondly, that alienation of land should not be permitted if it results in reducing the holding of the alienor below economic limits. These basic principles may be embodied in the amplified Tenancy Law which we propose for the State. When this is done, the Prevention of Alienation Agricultural Lands Act of 1940 in its present form would become superfluous and might be formally repealed.

Agricultural Credit

All the remedies that the law can provide for the discharge of debts are mere palliatives and will fail to achieve any permanent results unless the causes which drive the raiyat to borrow beyond his repaying capacity are removed. The root cause of debt is the inability of the raiyat to make a living from the income of his "dwarf holding". If he is to be saved from running into ruinous debt, the farmer should be enabled:

(a) to increase the size of his farm to an economic level or (b) to supplement his income by following a subsidiary occupation without prejudice to the cultivation of the land and (c) to borrow mohéy for requisite purposes of cultivation on reasonable terms i.e., to provide him with alternative sources of credit. With regard to (a) and (b) our conclusions are to be found elsewhere in the report. As regards (c) the endeavour should be to make credit available easily and at the proper time by agencies which will not exploit the raiyat.

The sources of agricultural finance, apart from the sowcar, are the Government and Co-operative institutions. The Takkavi system has been in force in Hyderabad as in the surrounding provinces. But it is understood that it is only in years of agricultural distress that loans are given liberally. Unless his need is extreme, the raiyat avoids applying for Takkavi loans because of the delay and

elaborate procedure involved in getting these loans. On the otherhand, Revenue Officers are generally reluctant to grant loans because of the trouble involved in investigating applications and in recovering the instalments of the loans as they fall due. Whatever may be the reason, the fact remains that Government Takkavi loans form a negligible part of agricultural credit.

There has, however, been a significant change in this respect in recent years, as large quantities of seeds, manures etc., had to be distributed under the Takkavi system in connection with the Grow More Food Campaign.

In the Provinces and some states, there is provision for granting loans to landholders for permanent improvements. There does not appear to be any such arrangement in Hyderabad and Takkavi loans are regarded more or less as a measure of relief in years of distress. In many parts of the State there is a crying need for capital for the construction of irrigation wells, contour bunding etc. The State should take the initiative in promoting these improvements by granting loans to the raiyat until such time as the proposed Land Mortgage Bank or other suitable institution can be established to take over these functions effectively.

Co-operative Institutions

It is not necessary for us to examine the growth of Co-operative movement in Hyderabad or to dwell on its achievements or defects. Suffice it to say that the movement in the State has shared the vicissitudes which it has experienced in other parts of India. It went through a period of injudicious expansion and as a result of this many of the societies were unable to recover their debts or to meet their own obligations to the Central Banks during the period of depression. An attempt at what is known as rectification and consolidation followed. The movement did not show much progress thereafter and rural societies with which alone we are concerned transacted only a limited amount of

business. One notable expansion in recent years has been the establishment of Grain Banks. More than 13,000 of these banks were started during the years 1945 to 1948, apparently under the special instructions of the Government. $\frac{1}{8}$ th of the grain compulsorily levied under the Procurement Scheme was ordered to be deposited in the Grain Banks. This is an incentive that is rarely found in any other part of India and should have led to a large net-work of co-operative institutions working on grain economy. But unfortunately the Grain Banks were more or less a fictitious creation. The enquiries of the Committee show that barring a few exceptions, the banks were either still born or were so grossly mismanaged by the office bearers that speaking generally they are at present not only valueless but the cause of much friction in the villages. The statement received from the Registrar of Co-operative Societies on the position of the Grain Banks at the end of 1943, shows that while the quantity of grain contributed by members is 3,15,47,840, seers, the quantity distributed as loan is 2,97,92,224 seers, the advance outstanding being 3,84,04,856.

Impressive as these figures may appear, their accuracy is open to doubt on account of the facts just mentioned.

At the end of 1948 there were 4,077 rural Societies with a membership of 89,465 and a paid-up share capital of Rs. 23,82,468. During the year 1948 the loans advanced to members amounted to Rs. 11,42,235/- and amount of loans recovered was Rs. 9,27,008/-. Some of these Agricultural Credit Societies are said to be moribund. But a large number could possibly be revitalised so that they might serve the credit needs of the farmers. The following suggestions made by the Committee on Co-operation in Madras in 1940 may well be borne in mind in this connection:

1. The reorganisation of the Village Credit Societies on the basis of one Society for a group of neighbouring villages.

2. Gradual evolution of rural Credit Societies into Multipurpose Societies.
3. Substitution of unlimited liability by limited liability.
4. The employment of paid clerical staff.

The Famine Enquiry Commission were of the opinion that village Societies should be organised on the basis of unlimited liability. Their recommendations, which, except on this point, are substantially to the same effect as those of the Madras Committee on Co-operation, are reproduced below :

“The future development of agriculture in the case of small and medium farmers depends in considerable measure on the organisation of these classes into multi-purpose village Co-operative Societies with unlimited liability and the federation of such societies into multi-purpose co-operative unions with unlimited liability.

“Each multi-purpose co-operative union should have an efficient manager. This is considered important for, progress in the early stages will depend largely on the manager's initiative and his influence with the people.

“The manager should, preferably, be an agricultural graduate trained in the Co-operative Department. The post should carry an adequate salary and incumbents should be eligible for promotion to posts in the Co-operative Department.

“A union in the early years of its existence will probably not be able to meet the cost of a well-paid manager. A grant by Government towards this expenditure is considered fully justified.

“Importance is attached to constant guidance and supervision by officers of the Co-operative Department”.

In Hyderabad a scheme was organised in 1954 F. for the establishment of Taluka Unions with the idea of creating a

multipurpose society at each Taluka Headquaters. But the pre-occupation of these unions with food supplies prevented their development on the lines orginally intended and they have become more or less agencies of the Hyderabad Commercial Co-operative Corporation. Their composition and management have been the subject of criticism and in some respects their working apparently leaves much to be desired. Nevertheless, they could be reorganised so as to serve as the nucleus of a multipurpose organisation. The idea of the department seems to be to set up 53 multifunctional Societies in connection with the regulated markets to reorganise the Unions under the name of Taluka Agricultural Co-operative Associations, and to bring into existence District Councils for supervision, propaganda, publicity etc., and as well as an apex institution called the Hyderabad Agricultural Co-operative Association. It is a point for consideration whether it would not be more appropriate and convenient to select promising agricultural Societies, one for each group of villages and organise them as multipurpose Societies, instead of creating new agencies which would necessarily take a long time to get into working order. It has also to be considered whether the organisation of new apex institution which would segregate multipurpose Societies from the rest of co-operative institutions could not be avoided.

There is an immediate possibility of putting new life into a large number of village Societies by entrusting to them the distribution of seeds, manures and controlled consumer goods such as cloth, kerosene oil, etc., along with the requisite financial facilities. They should also be encouraged to help in the marketing of the agricultural produce of the members, though on account of the control of food grains the scope for marketing activities is somewhat limited at present. In this way they could be developed into multi-purpose Societies. It would not of course be possible for these Societies to provide the landholder with long-term credit. It is understood that a Land Mortgage Bank will be shortly set up for this special purpose. We need only

express the hope that the proposed Land Mortgage Bank will pursue as its main objective the improvement of land and its productivity and will not confine itself, as has been too often the case, to the discharge of prior debts which, however necessary in itself, has only a limited significance in the context of the imperative need for increased production.

Urgency of Improvement of Credit Facilities

Farming no less than industry requires capital, which in advanced countries is provided at least in part by the farmer himself or by the landlord, if there be one, while the balance is borrowed from Co-operative or other institutions. In England it has been estimated, "that the average capital used per worker in 1928-30 was £1370/- in agriculture, of which $\frac{3}{4}$ represents the value of the land, as compared with only £430/- in industry". The capital requirements of Indian agriculture under existing conditions are of course much more modest but even so the peasant, whether he is proprietor or tenant is rarely able to furnish more than a tiny fraction of the capital required from his own resources. The bulk of his agricultural and domestic needs are met by borrowing from the local moneylender.

If the measures for the control of moneylenders and the protection of debtors were rigorously enforced and if at the same time the pattedars' rights of alienating land (on which their credit largely rests) were curtailed as we have suggested elsewhere, it is obvious the sowcars would not be too ready to advance money for financing agriculture even to the limited extent to which they have hitherto done so. The provision or expansion of alternative sources of credit through Co-operative Societies of the multi-purpose type and Land Mortgage Banks, is therefore a matter of the utmost urgency.

CHAPTER XIII

AGRICULTURAL PRODUCTION

INTRODUCTION

According to the proposals made in Chapter X on reform of the land tenure, the system of tenancy should cease and system of owner-farming, which now prevails over a great part of the cultivated area should become the rule. The substitution of the peasant owner for the cultivating tenant, however beneficial it may be from a social and psychological point of view, cannot greatly affect the ordinary run of farming in the State. Neither the tenant, nor the owner can improve the traditional system of farming without sufficient manures, good seed, efficient implements and water for irrigation. For any increase in agricultural production, we must look to direct and positive measures adopted to that end.

The subject of Indian Agriculture has been exhaustively dealt with from time to time by various experts, committees, and commissions and their recommendations, covering the whole field of rural life, are so well-known that there is no need to recapitulate or underline them here. We propose to confine ourselves to a very brief examination of the measures contemplated for increasing the production of food crops. While these measures are framed on something like an emergency basis, they constitute at the same time, the essentials of a long range agricultural policy.

From the statistics given elsewhere in this report three important, if unpleasant facts emerge :

- i. In Hyderabad the proportion of irrigated area in the State being 7% is much smaller than the All India average.

- ii. The area under cultivation, and more particularly that under food crops has been on the decline in recent years.
- iii. The acreage outturn of almost all food and cash crops is about the lowest in India. (vide Appendices H—H⁶).

To this may be added the fact (more fully stated in another chapter) that the cattle wealth of the State has diminished during the past decade to a marked extent.

ACREAGE UNDER CEREALS

In the chapter on Agricultural Production in Part I, we have shown in detail the statistics relating to Agricultural Production with particular emphasis on food grains, the estimated food requirements of the State, the measures taken during the last five years for stepping up production, and the plans that have now been prepared to wipe off the deficit within the next three years. The results of the Grow More Food Campaign judged in the light of figures of production of food grains as shown in Appendix D do not appear to be very satisfactory. With the exception of Rice, the production of all the important grains such as, Wheat, Jowar and Bajra shows a considerable fall as compared to pre-War figure. The production of Wheat, Jowar, Rice and Bajra, in India as a whole also does not show any appreciable increase during the decade between 1936–37 to 1944–45. The aggregate production of these grains which was 41.7 million tons in India in 1936–37 came down to 40.7 million tons in 1944–45. The fall in acreage of cereals is compensated by increased acreage under Pulses and Groundnut. Increased production of commodities which can be classed only as a supplementary diet at the expense of food grains, forming staple diet of the people is not a healthy sign.

Agriculture is the premier industry of the State. Planning of agriculture so as to obtain an exportable surplus

of food and commercial crops is essential to ensure the prosperity of the State. The first step in attaining this objective is of course self-sufficiency in the matter of food. The deficit in respect of cereals which was estimated to be 40 thousand tons at the begining of the War, has now mounted up to more than a hundred and fifty thousand tons. Growth of population at the rate of one percent per annum and the tendency of the cultivators to grow commercial crops in preference to food crops coming under the Monopoly Procurement Scheme, appear to be the reasons for this state of affairs.

The area under Wheat has decreased appreciably during the last decade. The main reason for this steady decline seems to be the attack of rust on Wheat crop in successive years, resulting in shortage of seed.

EXPANSION OF CULTIVATION

Culturable Waste and Current Fallows

About three million acres are shown as culturable-waste land in the State. The only step that has been taken so far for bringing culturable waste under cultivation, is to assign such lands on "Siwai Jamabandi" at a concession rate. No particuiar plan was followed. Assignment of temporary occupancy rights cannot be a sufficient incentive to the cultivator for devoting his whole-hearted attention to the development of land. The results have, therefore, been far from satisfactory. It is proposed now to conduct a survey of culturable waste and fallows with a view to their reclamation. We hope that a detailed survey will show the reasons for the lands remaining unploughed. We however think that a large portion of culturable waste lands serve as grass lands and a certain proportion again consists of poor soils grown over with scrub jungle. Current fallows particularly in Telingana consist

of dry lands left over as pastures for cattle used in Rice cultivation. Making an allowance for all these factors, we do not think, there is any considerable scope for expansion of cultivation by bringing in fresh lands under the plough. All the same, it will not, perhaps, be difficult to reclaim 10% of the total area shown as culturable waste land.

New lands found available as a result of the survey, that is now being undertaken, will have to be assigned in the shape of economic holdings on a permanent basis. Schemes for development purposes should be prepared for such important blocks of land which hold out promise of being brought under cultivation at reasonable cost.

Culturable waste lands include :

1. Small and medium size Kharij Khata lands.
2. Large blocks of Porampoke.

Those of the former category found fit for cultivation as a result of detailed survey should be allotted to landless labourers and to cultivators holding uneconomic units. Facilities in the shape of takkavi loans and technical advice will also be necessary in some cases.

Lands belonging to the latter category will be suitable for colonization and experiments in Co-operative farming. Use of tractors will also be necessary in most cases. We understand Government have under consideration a scheme for colonizing Agricultural labourers belonging to the Scheduled Castes in Armur Taluk of Nizamabad District. Armur has large blocks of irrigable waste land suitable for colonization. All possibilities of expanding cultivation in Armur and other places where such facilities are available must be explored.

Current fallows fall in two categories :

1. Lands left fallow for grazing purposes and for giving rest to the soil.

2. Lands forming part of large holdings left fallow on account of their unmanageable size, or lands left fallow by absentee land-holders on account of differences with tenants.

Only fallow lands coming under the second category should be brought under the plough, either by compelling the land-holders to cultivate them personally or by the management being taken over by the Government.

We are proposing elsewhere in this report the necessity for legislation, empowering the Government to take over management of land, left fallow for two consecutive years.

IRRIGATION

There is, we think, a large scope for increasing the yield per acre of the land already under cultivation throughout the State. It has been shown above that 1.8 million acres of the total cultivated lands are irrigated. The irrigated area in Hyderabad is only 7 % of the total cultivated area as against 18 % in India as a whole. The average annual rainfall in the State is only only 30 inches. In the scarcity zones of Raichur, Mahbubnagar, Nalgonda, and the western parts of Gulbarga and Bir Districts, rainfall is scanty. Irregular and untimely rains have an adverse effect on the outturn of the crops. Adequate irrigation measures are therefore necessary to ensure a successful crop. The most important step that can be taken in this direction is, extension of irrigation facilities wherever possible at reasonable cost. The blue print of the irrigation Department from which we have quoted some extracts elsewhere, includes repairs to breached tanks, extension of acreage under existing sources, and construction of new projects. First priority, in our opinion, should be given to repairs of breached sources. Land which was already under irrigation can be developed again more quickly than fresh lands newly brought under cultivation. The estimates drawn up by the Department show that land can be brought under irrigation by repairing breached sources at a much lower cost than by

construction of new tanks. In the former case, the cost works out to less than Rs. 100, per acre. The estimated increased output resulting from the repair of breached tanks i.e., fifty three thousand tons of Rice, will reduce the estimated food deficit by one-third. Next in importance to repairing of breached tanks is restoration and improvement of existing sources and construction of new minor projects. An assured water supply is not only an insurance against scarcity but also increases the yield of important crops by about 50 %.

In addition to minor irrigation schemes referred to above, the State has taken up two other major projects, viz., the Godavary Valley Scheme and the Tungabhadra Project. Under Tungabhadra and its allied project Rajulbandha, 3,50,000 and 79,000 acres respectively are proposed to be brought under irrigation. These two together with the Godavary Valley Scheme will in the long run give the State a large exportable surplus of food grains.

With a view to utilise all natural resources of the country, harnessing of both large rivers and major and minor streams is essential. Without prejudice to the development of irrigation in all its aspects, the problem of food shortage which the State has to face at present, can be simplified to a large degree by implementing the plan for improving and developing minor and medium size irrigation works. We recommend high priority for these schemes.

Maintenance of irrigation sources in jagirs being the sole responsibility of the jagirdars, the condition of most of the tanks and other sources in jagirs is far from satisfactory. The resources of most of the jagirdars did not perhaps permit expansion of irrigation or taking up of any new schemes. Now that all jagirs and Sarf-e-Khas areas have come under Government control, the irrigation sources in jagirs will have to be maintained on the same standard as in Diwani areas of the State. Breached and unrestored tanks hitherto neglected either owing to the apathy of the

jagirdar or for want of funds, will now have to be attended to by the Government. There is, we think, a large scope for expansion of irrigation in jagir and Sarf-e-Khas areas recently taken over by the Government.

IRRIGATION UNDER WELLS

Irrigation under wells is common in all parts of the State. Till very recently, old wells constructed before 1907 were classed as Government wells, and a consolidated wet assessment was levied on lands under these wells. Cultivators, all over the State, had a grievance against this assessment and were reluctant to repair such wells, once they went out of order. Very recently, this anomaly has been removed and only dry assessment will henceforth be levied on lands under all wells outside the Aya-cut.

In order to ascertain the possibility of irrigation under wells, we examined a number of people in the Districts. Particularly useful information was given to us by one of the Chief Engineers who has had a long experience of Well Sinking works in all parts of the State. From the information we have gathered, we conclude that there is no scope for tube wells in Hyderabad. The geological formation of the country is not suitable for such wells. Draw wells can be a success. Here again the programme consists of two parts (1) repairs and restoration of old wells and (2) sinking of new wells. In this connection it is well to bear in mind the recommendations of the Planning Committee of I.C.A.R. "The correct approach to the problem of wells, appears to be to take village by village and ascertain how many additional wells are needed and how many can be constructed in particular areas without effecting the replenishment rate in the adjoining wells. Quantitative plans showing the number of new wells to be constructed in each area each year can be drawn up". Financial aid to the raiyats in the shape of takkavi loans or subsidies will of course be necessary. The loans will have to be advanced on easy terms.

We understand that the Government has recently sanctioned a scheme for granting subsidies for well Sinking in Warangal and Nalgonda Districts. Similar facilities should be extended to other parts of the State, particularly to the jagir areas.

IMPROVED SEEDS AND MANURES AND BETTER AGRICULTURAL PRACTICES

Improved Seeds

Till about the beginning of the last War, first priority was given to research of commercial crops which were largely in demand by industries in India and, in foreign markets. Of late, however, some improved varieties of important cereals have been evolved. The work of seed multiplication for distribution has not made any appreciable headway (vide Appendix G.) These remarks do not apply exclusively to Hyderabad.

According to the Report of the Food Grains Policy Committee, the percentage of area under improved varieties in India before 1940 was only 6.2% in case of Rice and 1.1% in case of Jowar and other millets.

From the information furnished to the Central Legislative Assembly very recently, it appears that the Provinces of Madras, Bombay and Orissa propose to cover by 1951-1952, 75%, 42% and 54% respectively of the total area under Paddy with improved seed. Other items in this programme are:

	Madras	Bombay	Orissa
Maize	—	44%	—
Bajra	30.6%	—	—
Ragi	55.6%	—	—
Gram	—	75%	—

It appears from the figures relating to Rice in Appendix G. that the seed distributed covered only 5% of the total

area under Rice. If what we heard from the majority of the witnesses is correct it is doubtful if the total quantity of seed distributed was really of improved quality. The Food Grains Policy Committee Report mentions that ordinary seed purchased in the open market was distributed in some Provinces as improved seed. Such practices are sure to retard the food production drive, as the cultivator will have no faith in the so-called improved seed. We, therefore, hope that great care will be exercised in selection and distribution of seed. When other Provinces are confident of introducing improved Paddy seed inasmuch as 50% of the total area under Rice, it should not be difficult for Hyderabad to follow in their foot steps. The absence of a sufficient number of A and B class growers is a handicap which can be got over, if a serious effort is made to enlist the services of good farmers. Whatever work has been done at Research Stations for evolving improved varieties of Rice, Wheat and Jowar will now have to be taught to the raiyats. The nucleus seed has first to be multiplied at Government Farms. Seeds thus raised will have to be distributed to 'A Class' growers for similar multiplication. All these will have to be recovered and distributed to a large number of 'B Class' growers and the seed recovered from the latter will have to be distributed for cultivation. From the information gathered at various centres, we find that the progress of seed multiplication work has been very slow and unorganised. The scope of seed multiplication in Government Farms is necessarily limited. The Department will have to obtain the assistance of 'A and B' class growers in various localities. Constant supervision of 'A' and 'B' Farms is necessary to prevent mixing up of pedigree and local seed. The Monopoly Purchase System, we understand, prevents the Agriculture Department from getting back improved seeds from the few farmers to whom seed is given by the Department for multiplication. We were also told that the Department finds it difficult to purchase improved seed without paying a small premium over and above the ceiling fixed by the Government for procurement purposes. Establishment of separate

godowns supervised by the Agriculture Department in such reserved areas where seed multiplication work is being carried out will, we think, solve this difficulty.

Manures and Fertilizers

Use of manures in right quantity is essential for preserving the fertility of the soil and for obtaining a good yield. The shortage of fuel diverts a large quantity of cow-dung for use as fuel. The quantity of farm-yard manure therefore, available for use as manure, is far from sufficient. Manurial crops require one or two waterings, and can be grown only where there is sufficient water in the tanks after the harvest of the Abi crop. Such facilities are not generally available. The smaller tanks dry up in the hot weather, and a second Rice crop is raised under the larger ones. Green manure should be grown where water left over in the tank after the Abi crop, is sufficient for Tabi. No charge should be levied for water thus utilised. These concessions may popularise the cultivation of manurial crops to some extent, but it can be grown only in some particular areas. Oilcake, particularly groundnut cake is obtained in the State in large quantities and the paddy grower today prefers to use these manures if he is able to obtain them at a reasonable price. The plan of the Agricultural Department includes procurement and distribution of manures. We hope that the organisation proposed to be set up will bring this useful manure within easy reach and within easy means. of the ordinary cultivator. It will not be out of place to remark here that the work of procurement and distribution of oilcake which essentially demands organising ability, will not be entrusted to experienced technical officers whose services can usefully be utilised in other directions. As suggested elsewhere it may well be made over to Co-operative organisations.

Compost

All efforts towards making compost out of town refuse, and nightsoil have so far been carried out in large towns and

on Government farms. Only the cultivators living in areas adjacent to towns and farms could be benefited by this scheme. There is great scope for compost making in villages, or, at any rate in centres serving a group of four or five villages. In this way the use of compost can be popularised throughout the State. Rural composting schemes should be included as an important item in the programme of the Agriculture Department.

Chemical Manures

The cost of inorganic fertilizers is in most cases beyond the purchasing power of the ordinary cultivator. The only way to popularise their use seems to be through Government subsidy. We gather that the Agriculture Department has prepared a mixture of oilcake and chemical fertilizers called 'Paddy Mixture' and is advocating its use in preference to purely organic manures. It was found during our inquiries that the cultivators feel that the cost per bag of this mixture is appreciably higher than oil-cake. An effective method of popularising this mixture will be its sale at subsidised cost for the first two years.

Efficiency of Farming Technique

Improved cultural practices and protective measures against pests and insects learnt at Research stations have not been taught to the cultivator. Extension work on the cultivator's field is lagging behind research at experimental farms. A good deal of wastage due to pests and diseases can be avoided and the standard of Agriculture can be raised and will result in increased production when all cultivators, or at any rate a majority of them learn and practice improved methods of Agriculture. Indian cultivator is very conservative and is reluctant to take up any practice with which he is not familiar.

Extension Work

Everywhere in India there is a wide "gap between the experiment station and the cultivator". In Hyderabad,

the lack of intimate contact between the officers of the Department of Agriculture and the rural people is very marked. Most of the persons who sent replies to our questionnaire or answered our oral questions on this point, stated that the work of the Department was practically unknown in the villages and that it was only in recent years when the distribution of manures and improved seeds was undertaken by the Department that its activities came to the notice of the rural people. Extension work has not been organised, and agricultural demonstrations are carried out, apparently as a routine, in only six plots in each taluk per year. Sir John Russell observed "the weakness of some of the stations, I visited, was their somewhat closely self-centred life; much time and energy is devoted to the amassing of data the value of which it is difficult to see and the work is confined to the station." From all we have gathered, this would not be an unfair description of the state of affairs in Hyderabad.

It is of course quite impossible for the few district Officers of the Department to establish individual contacts with the many important farmers in their area. They can reach the villages only through suitable popular organisations. One of the Post-war Schemes suggested by the Department was the appointment of village guides to act as liaison between the Departmental officers and the village communities. The guides were to be appointed for 1490 villages and were to receive each a remuneration of Rs. 30/- to 60/- per month. We are aware that the system of village guides has been recommended on high authority. But whatever may be the value of such an agency, we do not feel that it is the most suitable method for establishing mass contacts with the rural population in this part of India. Besides, it is prohibitively expensive the estimated expenditure on the scheme mentioned being Rs.1,312.08 lacs in fifteen years. Experience in another State where guides under the name of GRAMA-SUDHAKAS were appointed for rural improvement work for groups of villages shows that men of light and leading

who could really guide the villagers are rarely found for such jobs. The establishment of Village Panchayats which we recommend in another part of our report for the general purpose of rural improvement should, we think, prove more suitable. Until such bodies are established and function properly some other system of liaison with the village communities should be devised. In Mysore, field demonstration work is combined with a system of Registered Clients. The following passages from the Report on the Progress of Agriculture in Mysore, 1939 contain a description of this system.

"The name of every person who undertakes any of the recommendations (of the Department) is borne on the Clients' Registers of the Inspectors who are to watch the progress, to see that the methods are permanently adopted, to look into, and attend to repairs or renewals of worn parts of implements, in fact to keep in frequent touch with such agriculturists.

"The Department has succeeded in inducing raiyats to resort freely to the Department for advice regarding the improvement of estates. It can be claimed that there is no landholder of any importance whose land has not been inspected by the staff.

"The number of clients of the Department who have been carrying some item or other of work along improved lines as recommended by the Department and with whom the staff is in touch is over a lakh, which takes no note of the hundreds of raiyats who buy their manure or seed independently from dealers or from other fellow raiyats".

The Agricultural and Experimental Union which included some of the most intelligent and enterprising raiyats of the State, was another agency which served as a means of mass contact and as an instrument of propaganda by example.

We suggest that some such system be adopted in Hyderabad pending the establishment of village Panchayats or other suitable institutions which could serve the purpose.

CONCLUSION

To sum up, our conclusions in regard to Agricultural production are as follows:

Production has not kept pace with the growth of population. It has remained more or less stationary during the last decade. With the exception of Rice, the position regarding other cereals has deteriorated and there has been a concomitant rise in the production of pulses and ground-nut. It is imperative to step up production, particularly of food grains. The possibilities of bringing in new areas under cultivation should be explored. This requires detailed surveys and careful planning. The average annual rainfall being low, extension of cultivation depends on increased irrigation facilities. The scope of extending dry cultivation is necessarily limited. Haphazard efforts and undue emphasis on reclamation of waste lands may result in depletion of pastures and shortage of fuel. Grazing facilities and supplies of fuel are inadequate as they are. There is on the whole, a limited scope for expansion of cultivation but there is a wide scope for intensive cultivation. An all out effort is essential for obtaining an increased production from the land already under cultivation. The average yield of important crops in the State is poor compared to other Provinces, which in their turn lag behind other countries. Vide Appendices H—H 6. This is largely due to inefficient cultivation. Increased facilities for irrigation and better methods of agriculture will step up production. Good seeds and manure must be made available to cultivators in all parts of the State at reasonable prices. Their cost may even be subsidised in the initial stages as it is sure to fetch a premium in the not distant future in the shape of a prosperous and contented peasantry. The Agriculture Department has

an important role to play in teaching the cultivator cultural practices like rotation, preparation of soil by proper tillage, weeding, transplanting etc., and protective measures such as, antierosion works, and use of insecticides. The work of the Department on extension and propaganda side has as yet touched only the fringe of the problem. The villager should be approached through the village Panchayat or through other popular organisations such as Agricultural Unions.

The National Wealth of an Agricultural Country is directly related to Production, and no scheme of Agrarian Reform which fails to appreciate its importance can attain any marked success.

CHAPTER XIV

ANIMAL HUSBANDRY

Our object is not to add to the recommendations which have been made from time to time by various Committees and Commissions but to suggest a few practical measures of obvious urgency. We are of opinion that the preservation and development of the cattle resources of the State should be part and parcel of the Grow More Food Campaign although no quick results can be expected in this sphere.

The following statistics show that of all Provinces and States, Hyderabad has suffered the largest decrease in its cattle population during the decade 1935-45. The decrease in number of efficient working cattle and milking buffaloes should give cause for concern:

Percentage variation in bovine population of British India and certain Indian States in different census years.

Year of Census	1924-25	1930	1935	1940	1945
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A. British India

Madras	-0.8	1.5	9.7	-10.1	2.4
Bombay & Sind	8.0	9.2	6.8	-8.9	-1.4
Bengal	3.1	-0.8	..	-3.2	-4.9
U. P.	4.3	1.3	3.2	..	-8.2
Punjab	5.6	-6.1	10.1	-2.7	4.5
C. P. & Berar	0.4	23.2	-3.7	-4.1	2.2
Assam	5.7	-2.1	5.7	8.6	-7.9
Ajmer Merwar	33.9	-1.1	0.1	-58.8	74.29
Coorg	-8.3	4.3	-0.9	4.4	-2.3
Delhi	14.3	-17.7	21.4	-7.6	26.6
Bihar & Orissa	4.4	2.1	..	-2.3	-5.8
N.W.F.P.	-3.7	-0.8	-4.0	-0.5	6.3
Total British India (excluding Baluchis- tan)	3.4	2.6	2.7	-2.6	-2.7

B. Indian States

Year of Census	1924-25	1930	1935	1940	1945
Hyderabad	-8.1	19.5	2.0	-3.4	-9.8
Mysore	-15.4	7.1	4.8	-4.1	..
Kashmir	10.7	0.1	3.4	42.3	..
Baroda	3.1	2.6	47.0	-5.7	..

Cattle breeding as a regular business is pursued only by a few people in certain parts of the State and good cattle are rare being for the most part imported from the neighbouring provinces. The efforts made by the Government to improve cattle breeding are not significant. If the depletion of the cattle noticeable in recent years is to be made good and the local breeds of cattle improved, it is necessary to expand the cattle breeding stations established by the Government so that in due course a substantial supply of good bulls may be available from them. At the same time private cattle breeders should be given all possible encouragement. We propose free distribution of atleast 300 stud bulls every year and the award of premia to 300 selected private bulls under appropriate conditions. By adopting these measures, a good beginning will have been made for increasing superior breeds of cattle in the State. As this may take some time, the question of importing breeding bulls from the neighbouring provinces and States may be considered as a first step.

Intensive work for the grading up of cattle may be undertaken in selected areas where conditions are favourable. Side by side with the distribution of stud bulls in these areas, scrub bulls should be compulsorily castrated as has been done already in several parts of India.

The possibility of starting artificial insemination centres may also be investigated.

The facilities for cattle grazing are in some parts of the State quite insufficient and as years go by and cultivation expands, the area of common pasture lands will progressively

decrease. The growing of grass and fodder crops in the cultivators' own fields, which is in vogue already both in Telingana and Marathwada offers the only hope for making good the shortage of common grazing grounds. It should not be very difficult to induce the raiyats to preserve the surplus fodder as silage. Propaganda should be carried on for this purpose and frequent demonstrations arranged at the agricultural farms and cattle breeding stations.

The following observations contained in the Report of the Cattle Preservation and Development Committee, 1947-48 deserve to be borne in mind :

"Use of edible oilcakes for other than cattle feeding purposes should be prevented and cattle-dung utilised for manure. Oil extraction and cotton seed ginning centres should be established in rural areas so that their by-products may be utilised for cattle feed purposes. Experimental Fodder Farm should be established in each zone of cattle breeding activity. Use of cotton seed for the manufacture of vegetable oils and use of chemicals in oil extraction should be banned. Production of fodder and cattle feeds should receive as high priority as production of foodgrains".

As has been stated in Chapter VIII of Part I, cattle mortality in the State is high and the veterinary service provided by the State is wholly inadequate. In 1944-45, there were only 18 stationary and 70 itinerary dispensaries. The Royal Commission on Agriculture suggested that there must be one dispensary for every 25,000 head of cattle; at this rate there should be some 500 dispensaries in the State. But as financial considerations and the lack of trained personnel would make expansion on such a scale impracticable, a more modest programme which ensures the utilisation of the services of all Veterinary graduates in the State should be adopted and steadily pursued. It may be added that although the standard set for the veterinary services by the

Royal Commission on Agriculture is very high, some Governments in India have actually adopted it as a working rule.

We suggest the development of dairy farm both as a cottage and large scale industry, so as to provide subsidiary employment in the villages and at the same time to supply the milk requirements of the cities which are indifferently served in this respect. The question of establishing 4 large scale dairy farms, two in Telingana and two in Marathwada, besides a number of rural units should be seriously considered. The offer of grants-in-aid in cash together with the assignment of land for grazing may possibly attract intelligent persons to take to this industry.

In Chapter VIII of Part I, we have referred to the very noticeable decrease in the number of buffaloes during the past decade. The Government would do well to import every year a certain number of buffaloes of good breed from India or Pakistan, and make them available for service free of charge in selected places.

In view of the fact that woollen industry is developed in the State, it is necessary that sheep-farming should receive more than the token attention which has been hitherto paid to it.

A State-wide development of poultry farming may be undertaken in view of the great possibilities of this industry and its suitability as a subsidiary occupation to the agriculturist.

We suggest that the Government should investigate the possibilities of developing bee-keeping as a rural industry.

We also recommend the establishment of CHARMALAYAS for the collection and economic disposal of the skins of dead animals in the rural parts.

CHAPTER XV

RURAL INDUSTRIES

One of the main problems of Indian poverty is to draw off the surplus agricultural population into other productive occupations and no scheme for the reform of the land system would be complete unless it provides effective means for reducing rural unemployment and under-employment. While large scale industries have done good to the urban areas, they have not benefited the countryside appreciably except by way of increased demand for raw materials. Rural and cottage industries are a necessary complement to large scale urban industry. Apart from their economic value they deserve special attention for the reason that they do not give rise to social evils which are incidental to concentrated production. As the National Planning Committee has observed "the revival and expansion of old and introduction of new cottage industries will be an important and indispensable means of rehabilitating the villages and providing adequate employment to the people in the villages and ensuring them a satisfactory level of income and resources."

In chapter IX part I, we have given an account of the measures adopted by the Government of Hyderabad to promote Cottage Industries. At the outset these measures were primarily aimed at the preservation and development of certain rare and specialised industries for which Hyderabad was noted, such as carpets, Bidriwares and toys. These products have necessarily a limited market and the workers engaged in their production form numerically small communities. The help and encouragement extended to these industries were timely and served to save them from continued neglect, if not extinction, but they were not calculated to contribute to the solution of the problem of rural unemployment.

In the second series of schemes inaugurated since 1945, the employment value of various industries was kept in view. The measures previously adopted to improve the handloom industry were intensified and a beginning was made to help other important industries such as leather and wool industries, which employ a large number of cottage workers and which admit of great expansion. Each of the cottage industries has its own peculiar problems but they all suffer in common from certain handicaps. The worker is unable to procure raw material of the requisite quality at a reasonable price and has to remain idle for days together. The control of yarn which was introduced some years ago has been of great benefit to the handloom worker. There are as yet no proper arrangements to ensure that the workers in leather and wool are supplied with raw material of good quality. In passing, we may observe that during our tours it was brought to our notice that the cotton yarn supplied to country weavers was issued at an unduly high price compared with the price charged by the mills. This complaint needs looking into.

Persons engaged in cottage industries work with primitive tools and implements and follow old methods of production, however inefficient they may be. To evolve and popularise better implements and production technique is one of the important duties of the Department.

While the products of cottage industries as a rule find a ready sale in the local fairs, some lines of goods cannot be so readily disposed of. It has from the beginning been recognised that the Department should help the worker in the marketing of such products.

The Cottage worker is a man without resources and is often at the mercy of the sowcar both for the supply of raw material and the sale of finished product. The provision of cheap and readily available credit is essential for him. It is by providing facilities in respect of these various requirements that cottage industries can compete with factory products and retain their place in the national economy.

The post-war Schemes of 1945–48 bear evidence of a desire to help certain cottage and small scale industries, particularly the handloom industry, in all needful directions. The work done does not compare unfavourably with similar efforts made elsewhere in India (vide a summary given in Appendix J). Nevertheless, one cannot help forming the impression that while individually the schemes of development appear to be shaped on the right lines, they are not the outcome of an integrated plan aiming at substantial results. Efforts should be proportioned to the size and importance of each industry. We consider that all the schemes now in operation and those in contemplation should be critically revised by a Special Officer deputed for the purpose with the help, if necessary, of experts, and that a suitable plan for the development of cottage industries for a period of say 5 years should be laid down by the Government.

In order that greater attention may be devoted to the study of problem connected with cottage industries and to the economical and intelligent administration of the schemes in operation, it seems necessary and desirable to constitute a separate section in the Department under the supervision of a whole time Deputy Director.

There appears to be no non-official organization to help the Department with advice and criticism in the initiation and execution of its schemes. In a matter which concerns the people so closely, it is essential to enlist the co-operation of popular leaders. We consider that advisory bodies should be set up for consultation at all levels. At the base of the organization there should be a popular working Committee for such group of villages selected for the purpose, on the lines indicated by Sir. M. Visweswaraiya in his pamphlet on Village Industrialisation published by the All India Manufacturers Organization, Bombay. At the district headquarters, there would be a District Committee consisting of non-official gentlemen prominent in business and public life of the district, with the Talukdar as the President and the

District Superintendent of Industries as the Secretary. The Organisation at the top would be a Board of Industries consisting of representatives from the several districts with the Member of the Government in charge of Industries as the Chairman and the Deputy Director for Village Industries as the Secretary.

An Advisory Committee consisting of non-officials should also be set up separately for the Textile Training Centre. Greater attention should be devoted to the development of handloom weaving, the woollen and the tanning industries.

The establishment of village workshops for making agricultural implements and for attending to minor repair works needed by villagers may be established in selected centres. A dozen such workshops may be opened at the beginning and as each of them is brought into working order it may be converted into an Industrial Co-operative or sold to private persons, arrangements being made at the same time for opening a new workshop in another group of villages.

At present there are vocational institutions under the Board of Technical and Vocational Education. These can very well be converted into workshops so that they can cater to the needs of the villagers without prejudice to the training of artisans.

The investigations already commenced in respect of silk industry, particularly the production of eri silk, should be pursued.

Model plans should be prepared in full detail for enabling the Department to instal new units for the development of cottage industries in centres that may be sanctioned from time to time.

Improved implements approved by the Department should be stocked in suitable quantities for sale to the artisans.

Arrangements should be made to popularise "ghanis" of the type devised by the All India village Industries Association, Wardha, which we are told are now being used by the Central Provinces Government in their Rural Reconstruction Scheme. The improvement of this industry which is dispersed over many villages will not only help the artisans engaged in it to obtain fuller employment but will make oil-cake which is increasingly in demand for manurial purposes more readily available in the villages.

The useful work done by the Charkha Sangh of which details have been given in Chapter IX should be given every possible encouragement so that the Sangh may improve and extend its operations.

We also suggest the starting of a Cottage Industries Museum on the lines of the Magan Sangrahalaya of Wardha where the various appliances used in Cottage Industries are exhibited and villagers are also trained in various Cottage Industries.

In the Industrial Trust Fund which is said to have a sum of Rs. $4\frac{1}{2}$ crores at its credit, the State possesses an unique and valuable instrument for the promotion of Industries. A definite portion of the annual income, say about 4 lakhs of rupees, should be set apart exclusively for the development of Cottage Industries in order that these may receive adequate and continuous attention.

CHAPTER XVI

CONCLUSION

The land system that we have envisaged is one in which the absentee landlord on the one hand and the tenant-at-will on the other will be eliminated. Agricultural land will be cultivated either by the owners personally or by protected tenants. The latter have the right of purchasing the land which they cultivate for a reasonable price and even if they fail to exercise this option, their rights as protected tenants will approximate to occupancy rights, so that, to all intents and purposes, there will be no intermediaries between the cultivator and the Government.

Our proposals for the fixation of maximum and minimum sizes of holdings are intended to remove, to the extent possible, gross disparities in the ownership of landed property. The two main objectives of land reform which underlie current Indian Legislation would thus be achieved in a reasonable measure.

But in striving for ideological satisfaction, considerations of economic prudence and the realities of a long established social order should not be overlooked.

One effect of our proposals may be that the village moneylender will not have much inducement to provide finance for cultivation, seeing that land will not be freely available as security. As agricultural credit at one source is thus likely to be narrowed, it is imperative to provide other credit facilities to the raiyats. Hence the urgency of setting up the necessary co-operative institutions, namely, Multi-Purpose Societies and Land Mortgage Institutions to fill the gap in the credit system that would be created by the moneylenders' partial withdrawal from business. It would be desirable to utilise their services, if it is at all

possible to do so, in the new credit organisation. Some of them would no doubt be found suitable for and willing to accept the new role and their business capacity and intimate knowledge of the credit-worthiness of their clients could thus be turned to account. The objection that the sowcar might dominate or sabotage the new credit organisation is not perhaps without some foundation but it should not be unduly exaggerated.

With regard to the big landlord also, means must be found for utilising his resources and qualities of leadership in the new social order. We have suggested that no person need be dispossessed of the lands in his holding if he cultivates them personally. It is to be hoped that some atleast among these landlords would arrange to cultivate their lands by adopting up to date methods, which alone would enable them to retain ownership of fairly large estates. If this should prove to be the case, it would be all to the good. The country can ill-afford to become entirely a land of small peasant proprietors with no resources, even if there was an added incentive, to improve agricultural technique and production.

Large farms may also be established by Joint-Stock enterprise. Some of the large landowners and junior members of their families might find scope for the investment of their capital and the exercise of their natural abilities in such undertakings. Experience in other parts of India has shown that well organised farming under Join-Stock Companies, although it is carried on with a profit motive, is often an example of good cultivation and a means of ameliorating the condition of agricultural labour. We, therefore, suggest that the fixing of a maximum size for holdings should not preclude the establishment of joint-stock farms, if the requisite capital and personnel were forthcoming.

The predominance of small farms owned by peasants is certain to accentuate the problem of rural unemployment. The small farmer cannot afford to hire labour and the land-

less workers will find it even more difficult than at present to secure employment in their villages. The development of large industries is necessarily slow and they cannot be expected to absorb a great part of the surplus population. The expansion of rural industries assumes, therefore, a degree of urgency which we wish to stress again.

Throughout our enquiries we were made painfully aware of the fact that attempts at land reform have so far proved unavailing owing to the failure to set up a suitable machinery for their implementation. The Asami Shikmis Act, the Moneylenders Act and the Debt Conciliation Act are tragedies of good intentions miscarried. Over centralisation, the effects of which have been well described "as apoplexy at the centre and anaemia at the extremities", is perhaps responsible to no small extent for this state of affairs. Unless responsibility is precisely located at all levels and a system of periodical stock-taking is instituted, the tempo of progress of such special schemes must be slow. The reforms in landholding we are suggesting would require a special and well selected staff to work them smoothly and efficiently. Difficulties, if any, must be faced and dealt with as they arise and should not be ignored and allowed to accumulate. One of the Members of the Board of Revenue or, if necessary, an Additional Member should be specially charged with the duty of carrying out the reforms and a small advisory committee consisting of officials and non-officials should be associated with him.

There is centralisation also in another sense. There is far too little contact between the members of the services, particularly those employed in the Development Departments, and the general public. In connection with Cottage Industries, we have recommended that the co-operation of non-officials should be secured by setting up a suitable organisation. But this is an observation which applies equally to other nation building activities.

The Hyderabad Reforms Committee of 1938 recommended the establishment or re-organisation of popular bodies for purposes of local self-government. Though many of the Committee's recommendations were accepted, it does not appear that any progress has been made in implementing them. The question of nomination versus election seems to have assumed disproportionate importance in this State, due no doubt to certain special circumstances and political conditions which however, no longer exist. We regard this as unfortunate.

We are more particularly concerned with the question of Village Panchayats. Rural life is not divisible and any scheme of land reform would fail of its purpose unless it was integrated with other sectors of rural activity. It is now generally recognised that this integration could be best secured through Village Panchayats.

The recommendations of the Reforms Committee (1938) in respect of Village Panchayats were approved and a Regulation (A' in) was issued in 1942 for giving effect to them. We are told on good authority that the Regulation was based on the best available models of Panchayat Regulations in the leading Indian States and Provinces. The Law provides for the compulsory establishment of Panchayats in all villages with a population of between 2500 and 5000 and in all villages where there was an effective Rural Reconstruction Society. There were 643 such villages, including 117 villages in Non-Diwani areas. So far (1949) the Government has "been able to declare 273 as Village Panchayats. Of the "declared villages," only 111 Panchayats have so far (1949) obtained sanction to levy taxes within their limits under section 36 of the A' in."

Comment is needless. Unless active steps are taken to put the scheme, such as it is, in operation in a spirit of understanding and sympathy, this may be another tragedy of good intentions unfulfilled.

Article 31 (a) of the New Constitution of India provides, "The State shall take steps to organise Village Panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government". In the spirit of this directive principle of State policy, several Governments in India are endeavouring to make live entities of the Village Panchayats and are entrusting them with great responsibilities. The time is not perhaps ripe, in Hydederabad for adopting a very ambitious scheme for the organisation of Village Panchayats. But there is nothing to prevent the existing scheme, with such improvements as may be immediately possible, being seriously implemented. Until popular organisations and more particularly Village Panchayats are got going, the gap that separates the rural population from the Departments purporting to ameliorate their conditions cannot be satisfactorily bridged.

The one agency of mass contact that is being developed in the State is the Radio. Rural programmes are carefully prepared and regularly transmitted but as there are very few community receiving sets, not all of which are in working order, it is largely a case of wasted effort. If the radio is really to prove a means of enlightening as well as entertaining the rural public, a large number of community sets should be distributed and arrangements made for their regular servicing.

In our enquiry we have come across another difficulty to which we may refer here. While the Director of Statistics produces a compendious Year Book and great pains are taken for its compilation, some of the statistics, particularly those relating to landholding and agriculture, lack completeness and accuracy. One factor which accounted for this, namely, the existence of Non-Diwani areas which did not regularly furnish statistics, is now removed and if some steps are taken to ensure the preparation of correct statistics at the source, the material which is presented to the public in

Year Book at such great cost and trouble will gain immensely in value. We understand that the matter is now receiving attention.

31st October 1949.	Sd/- N. MADHAVA RAU
Sd/- M. SRINIVASA RAO 31/X/'49	Sd/- GULAM HYDER 31/X/'49
Sd/- VASUDEVA RAO 31-10-49	Sd/- R. V. RAO. 31-10-49

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Tenancy

1. The definition of Protected Tenants in Section 3 of The Hyderabad Asami Shikmis Act of 1354 Fasli should be enlarged so as to include all tenants who had cultivated a land continuously for a period of 6 years previous to 1st January 1948 or the date of commencement of the new legislation that may be undertaken.
2. Tenants who were in continuous possession of a land between 1342 and 52 Faslis but were evicted thereafter should be enabled to establish their claims even now. Section 4 of The Hyderabad Asami Shikmis Act prescribes a time limit of 2 years from the commencement of that Act for this purpose. This time limit should be extended to six years.
3. The definition of "to cultivate personally" should be modified excluding cultivation by servants on wages payable in crop share.
4. Similarly the definition of "Agriculture" should be amended so as to include the growing of grass also.
5. All protected tenants should be given the right to compel their landlords to sell the land held by them for a price which shall not exceed 12 times or be less than 8 times the average rent paid for the land during 8 years immediately preceding the application by the protected tenant for fixation of reasonable price.
6. For the determination of reasonable price within the limits of 8 to 12 times the rent, a Tribunal consisting of 3 or more people should be specially created. Besides

the determination of reasonable price for the land for purposes of purchase by a Protected Tenant, this Tribunal should be entrusted with the functions of determining reasonable rent and compensation for improvements made by a Protected Tenant.

7. The following rates shall be the maximum rates of rent—

- i. For irrigated lands under tanks, canals and all other sources excepting wells, $\frac{1}{3}$ rd of the gross produce.
- ii. For all other lands including irrigated lands under wells $\frac{1}{4}$ th of the gross produce.

8. The Landlord's right of resumption of land from a protected tenant on the ground of the land being required for his own cultivation should be subject to the following restrictions :

1. If the landlord has already under his personal cultivation, land of or exceeding the size of an "economic holding" determined by the Government for the local area in which the land is situated, the landlord should not have any right to resume the land from the possession of a Protected Tenant. If on the otherhand, the land under the personal cultivation of the landlord is less than an "economic holding" determined by the Government for the local area, the landlord should be allowed to resume such an extent of land from the Protected Tenant as would be sufficient to make the land under his personal cultivation come up to the appropriate size of an "economic holding" of the local area.
2. The right of resumption of land from the possession of a Protected Tenant should be confined only to cases where the land is required for the personal cultivation of the landlord and should not, as it is

under the Hyderabad Asami Shikmis Act, extend to the ground of the land being required by the landlord for non-agricultural purposes.

9. After a period of 3 years from the commencement of new legislation, there should be a total prohibition of all leasing or sub-leasing of agricultural land, subject to certain exceptions as in the case of women, minors or persons having physical or mental disabilities and persons serving in the Army, Navy or Air force. There should be another exception in the case of short leases which are rendered necessary by temporary inconvenience or disability.

10. 3 years after the new legislation, any lease of agricultural land should be with the permission of the Talukdar and for such period as he may permit.

11. Any lease made in contravention of the above rules should be void and any person who enters into possession of land by or under such a void lease should be liable to ejectment by the Talukdar of his own accord or on the application of the landlord.

12. Any lease made after the commencement of the new legislation and within 3 years thereafter should be for a period of 10 years.

13. All leases made after the commencement of the new legislation should be by documents registered under the Registration Act or in any other manner that may be prescribed

14. All rights of a Protected Tenant should be heritable.

15. Protected Tenants who purchase land under new legislation should be prohibited from transferring it by sale, gift, mortage or assignment, without the previous saction of an appropriate authority designated by the Government.

16. The right of user in respect of trees and their produce should be extended to all tenants and compensation

should be payable to them for trees planted by them in the lease-hold land, if and when evicted.

17. In respect of trees naturally growing on the land the tenant and landlord should be entitled to the produce of such trees in the proportion of 2/3 and 1/3 respectively.

18. The right allowed under the Hyderabad Asami Shikmis Act to tenants in respect of sites of dwelling houses should be extended to agricultural labourers and artizans.

19. Government should be empowered to take over the managemet of land wherever there is improper or insufficient utilisation of agricultural land.

20. A Record of Tenancies should be introduced immediately.

20 (A). In case the land to be purchased by a protected tenant under the new legislation, happens to be an unenfranchised Inam, it should be enfranchised and after purchase full raiyatwari assessment should be levied on it.

SIZE OF HOLDINGS

21. The Government should by rule prescribe the size of economic holdings for different areas in such a way as to secure for the cultivator an income of Rs. 150/- per month.

22. The minimum or basic holding should be 2 acres of wet or 15 acres of dry. Measures should be taken for the consolidation of holdings below the minimum size. Further fragmentation shoul also be prevented. A Draft Bill embodying these recommendations is proposed,

93. Regarding the prevention of sub-division of agricultural holdings, land-holders may be allowed to create a permanent impartible economic holding by registering it as such before a public authority. Necessary provisions are embodied in the Draft Tenancy & Agricultural Reforms Bill.

24. Co-operative farming of un-economic holdings is suggested and provision for it is made in the proposed Tenancy Bill.

25. The size of a maximum holding may be fixed at 10 times the size of an economic holding.

26. The Committee does not accept the view that surplus lands should be acquired by the Government and distributed among un-economic holders.

RURAL INDEBTEDNESS AND CREDIT FACILITIES

27. The agricultural class as a whole including a proportion of small cultivators has been able to discharge an appreciable portion of its debt in recent years. However the problem of rural indebtedness remains substantially unsolved:

28. The present Debt Conciliation Act may be replaced by another Act on the lines of The Bombay Agricultural Debtors' Relief Act of 1947. The revised Act may be applied only in those local areas where land mortgage facilities have been made available.

29. The Money-lenders' Act of 1940 should be retained and properly enforced.

30. The Prevention of Agricultural Land Alienation Act of 1940 may be repealed and the following principles restricting alienation may be embodied in the proposed Tenancy Legislation:

1. Persons who have no intention of personally cultivating land should not be allowed to acquire it;
2. The alienation should not result in the formation of sub-economic holding or unduly large holding.

31. The provision or expansion of alternative sources of credit through Co-operative Societies of multi-purpose type and land Mortgage Banks is a matter of the utmost urgency.

32. Some of the Agricultural Credit Societies may be revitalised to serve the credit needs of the farmer keeping in view the suggestion of the Madras Committee on Co operation of 1940.

33. The Taluk Developement Union should be reorganised so as to serve as the nucleus of a multi purpose organisation.

AGRICULTURAL PRODUCTION

34. A detailed and comprehensive survey should be made before drawing up a plan for reclamation of culturable waste lands. Requirements of fuel and fodder should not be overlooked,

35. Small blocks of culturable wastes should be assigned on a permanent basis to cultivators having uneconomic holdings.

36. Co-operative farming should be encouraged, where large blocks of culturable waste land and irrigation facilities are available for purposes of colonisation.

37. Lands left fallow for two consecutive years on account of neglect or lack of resources of the landholder should be assigned for cultivation under Government supervision,

38. Intensive cultivation should be encouraged. Particular attention should be paid to the question of increasing the average yield per acre of the land already under cultivation.

39. First priority should be given to repairing of breached tanks.

40. Small and medium size projects shoud be given a high priority.

41. A survey of Sarf-e-Khas and Jagir areas, recently taken over, should be taken up immediately with a view to improve the irrigation facilities in those areas.

42. Well irrigation should be encouraged. Facilities in the shape of Takkavi and technical advice should be given for repairs of old wells and for construction of new wells, in all such areas where new wells can be sunk without affecting the replenishing capacity of existing wells.

43. Seed multiplication work should be organised on efficient basis. A large number of A & B farms should be established.

44. Procurement and distribution of manures and fertilizers should as far as possible be entrusted to Co-operative Organisations.

45. Rural composting should be encouraged.

46. Extension work should be organised and contact should be established with the raiyats in rural areas by enlisting co-operation of enlightened farmers and non-official organisations.

ANIMAL HUSBANDRY

47. In order to increase the supply of good breeding bulls: existing Government Breeding Farms should be developed.

48. Private cattle breeders should be given all possible encouragement.

49. Free distribution of atleast 300 stud bulls and the award of premia to selected private bulls is suggested.

50. Special areas may be selected for intensive work for the grading up of cattle.

51. Castration of scaub bulls should be made compulsory in these areas.

52. Possibilities of starting Artificial Insemination centres should be kept in view.

53. Propaganda should be carried on to induce raiyats to preserve the surplus fodder as silage.

54. Oil extraction and cotton seed ginning centers should be established in rural areas so that their products may be used for cattle feed purposes.

55. The number of veterinary dispensaries which is totally inadequate for the requirements of the State should be increased as rapidly as trained Veterinarians become available.

56. Dairy farming should be developed both as cottage and large scale industry.

57. The question of establishing 4 large scale Dairy Farms, 2 in Telingana and 2 in Marathwada may be considered.

58. Stud-buffalo bulls of good breeding may be imported regularly from India or Pakistan in order to improve the local breed.

59. A State-wide development of Poultry Farming may be undertaken.

60. The possibilities of Bee-keeping as a rural industry should be investigated.

61. 'CHARMALAYAS' for the collection and economic disposal of the skins of dead animals should be organised.

RURAL INDUSTRIES

62. The preservation and development of rural industries is urgently necessary to provide occupations subsidiary to Agriculture.

63. A Special Officer may be appointed to make a critical review of the various post-war schemes relating to certain handloom weaving.

64. A five year plan for the development of rural industries may be prepared with the help of experts.

65. Village work shops which may ultimately be converted to industrial co-operatives may be started in selected villages.

66. The Charkha Sangh should be given every possible encouragement to improve and extend its operations.

67. Greater attention should be devoted to the development of Woollen Industry, Oil-crushing Industry, Hand-loom-weaving and the Tanning Industry.

68. For enlisting non-official co-operation in the development of Cottage Industries a Working Committee may be constituted for a group of selected villages as also a District Committee and a Central Committee.

69. About four lakhs of rupees from the Industrial Trust Fund may be set apart every year exclusively for the development of Cottage Industries.

70. One of the Members of the Board of Revenue or, if necessary an Additional Member should be specially charged with the duty of carrying out the land Reforms and a small Advisory Committee consisting of officials and non-officials should be associated with him.

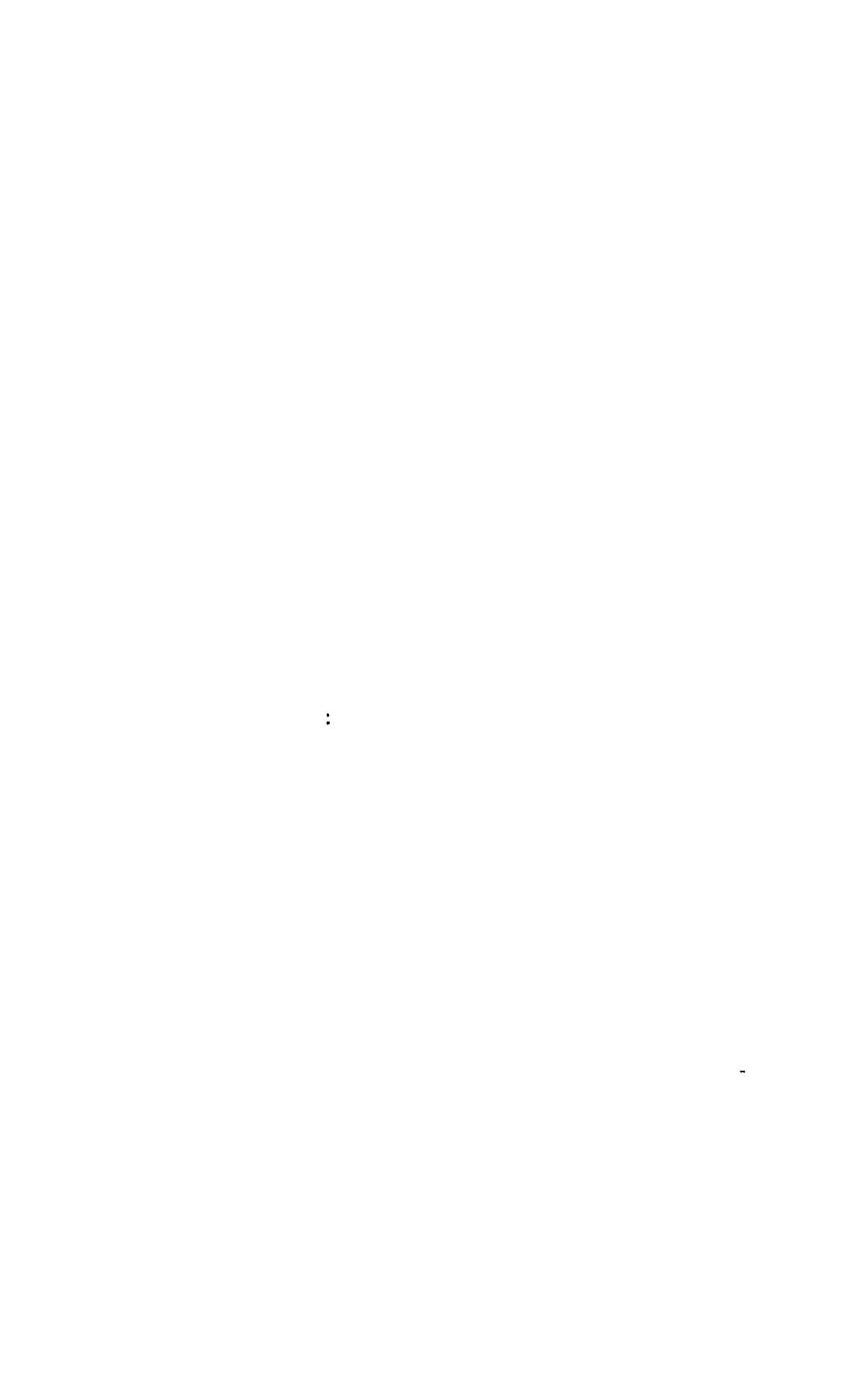
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APPENDIX "A"

Average Size of Holdings

PLACE (REGION)	1290 (1880)		1324 (1914-15)		1326 (1916-17)		1336 (1926-27)		1337 (1927-28)		1343 (1933-34)		1344 (1934-35)		1345 (1935-36)				
	Wet	Dry																	
1. TELINGANA	...	...	1.86	14.8	1.84	14.86	...	...	...	...	1.58	12.51	1.54	12.35	1.59	12.26
2. MARATHWADA	...	...	0.66	25.63	.65	25.66	...	...	...	...	0.50	21.85	0.49	21.22	0.41	21.15
3. KARNATAK	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
4. TOTAL STATE	28.04	acres	1.28	20.04	1.26	19.87	...	19.76	...	19.20	1.80	16.88	1.07	16.54	1.07	16.45			
<hr/>																			
1346 (1936-37) (1937-38)	1347 (1938-39)		1348 (1939-40)		1350 (1940-41)		1351 (1941-42)		1352 (1942-43)		1353 (1943-44)		1354 (1944-45)		1355 (1945-46)				
	Wet	Dry																	
1. 1.58	12.15	1.59	12.03	1.56	11.88	1.56	11.85	...	10.78	1.37	10.28	1.40	12.49	1.27	9.30	1.26	9.19	1.17	8.56
2. 0.49	21.02	0.47	20.44	0.47	20.32	0.46	20.19	...	18.39	0.43	18.95	0.44	18.98	0.42	18.53	0.36	15.57	0.35	15.48
3.	0.42	17.88	0.39	16.45	0.35	14.85
4. 1.05	16.38	1.05	16.03	1.04	15.90	1.01	16.02	...	14.58	0.90	14.62	0.92	16.45	0.69	14.70	0.65	13.20	0.76	12.0



APPENDIX "H"

GROUNDNUT YIELD IN Lbs. PER ACRE 1931-1940

	1935	36	1936	37	1937-38	1938-39	1939	40	5 years'	Average
									1931-35	1936-40
Hyderabad State	...	607	742	741	791	659	584	708	VIII	
Bombay Presidency	...	1050	924	872	907	813	1061	913		
C. P. & Berar	...	585	692	580	603	633	545	617		
Madras Presidency	...	1068	1062	990	958	1066	1027	1027		
Average India	...	911	912	853	948	860	894	888		

APPENDIX "H 1"

YIELD PER ACRE OF COTTON (LINT) IN Lbs. 1931 1940.

	1935	36	1936	37	1937	38	1938	39	1939	40	5 years' Average 1931-35	Average 1936-40
Hyderabad State	...	62	65	64	58	68	68	61	62	—	—	—
Bombay Presidency	...	73	72	76	78	77	77	70	75	—	—	—
C. P. & Berar	...	61	86	69	59	88	88	69	78	—	—	—
Madras Presidency	...	80	79	79	76	82	82	80	79	—	—	—
Average India	...	92	101	89	86	92	92	81	92	—	—	—

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APPENDIX "H 2"

BAJRA YIELD PER ACRE IN Lbs. 1935-1940

	1935-36	1936-37	1937-38	1938-39	1939-40	5 years'	Average
	1931-35	1931-35	1931-35	1931-35	1931-35	1931-35	1931-35
Hyderabad State	... 135	132	131	134	140	... 134	... 134
Bombay Presidency	... 32	256	264	264	255	... 274	... 274
C. P. & Berar	... 473	491	576	592	469	... 516	... 516
Madras Presidency	... 391	377	377	377	363	... 363	... 363
Average India	... 355	339	341	318	316	... 331	... 331

APPENDIX "H 3"

YIELD PER ACRE OF JOWAR IN LBS. 1931-1940

	1935-36	1936-37	1937-38	1938-39	1939-40	1931-35	1936-40	5 years' Average
Hyderabad State	...	280	381	346	345	364	280	345
Bombay Presidency	...	449	362	334	382	326	463	371
C. P. & Berar	...	448	488	559	490	543	499	504
Madras Presidency	...	610	572	534	577	615	611	580
Average India	...	420	427	435	429	436	423	429



APPENDIX "H 4"

YIELD PER ACRE OF RICE (CLEANED) IN Lbs. 1931-1940

	1935-36	1936-37	1937-38	1938-39	1939-40	5 years' Average 1931-35	1936-40	XII
Hyderabad State	...	706	825	856	822	837	866	869
Bombay Presidency	...	958	957	957	893	761	998	849
C. P. & Berar	...	588	702	610	671	552	651	625
Madras Presidency	...	1084	1086	1071	933	1012	1030	1037
All India	...	732	862	824	731	776	898	785

APPENDIX "H 5"

YIELD PER ACRE OF WHEAT IN Lbs. 1931 1940.

	1935	36	1936	37	1937	38	1938	39	1939-40	5 years' Average 1931-35	Average 1936-40
Hyderabad State	...	251	347	361	308	275	275	275	275	302	
Bombay Presidency	...	117	391	374	406	400	431	431	431	398	
C. P. & Berar	...	424	428	449	446	432	450	450	450	436	
Madras Presidency	
All India	...	628	658	677	631	708	663	660	660	660	



APPENDIX "H 6"

COMPARATIVE YIELD IN lbs. PER ACRE

Crop	India	Egypt	Italy	Germany	Argentina
Rice	894	3,136	4,928	—	—
Wheat	738	1,882	1,434	2,464	1,053
Cotton	97	440	—	—	1,56

(Figures relate to undivided India in 1938)

APPENDIX "J"

Steps taken by Provincial Governments to speed up the development and expansion of Cottage Industries.

(Answer to Question No. 1/80 in the Constituent Assembly of India : Vol. No. III No. 10. Dated 30-3-1949).

Madras

With a view to impart training to the villagers in the production of useful articles by up to date methods, the Government of Madras drew up a plan as early as in 1946 to start nearly 200 Demonstration and Training Centres in 32 important industries all over the Province. 43 such centres were actually started in 1947. In the light of the experience gained it has recently been decided to concentrate attention on the development of six basic industries namely, Blacksmithy, Woodwork, Pottery, Light Metal casting, Tanning and Leather Goods Manufacture and Sheet Metal Work, and to develop them under private management. The Provincial Government will of course help them with raw materials, appliances and technical guidance.

The Provincial Government also initiated a scheme in 1946 for the intensive development of Khadi in selected areas with the main aim of securing self-sufficiency in regard to cloth in terms of Khadi. Under this scheme the Provincial Government have distributed so far cotton worth nearly Rs. 3 lakhs to spinners and collected $4\frac{1}{2}$ lakhs of lbs. of handspun yarn and had nearly 12 lakhs of yards of khadi cloth produced.

Bombay

The Government of Bombay are making a rapid progress in the organisation of Village Industries on co-operative basis. They are carrying out schemes for promoting Village Industries through their Co-operative Department as well as

through a non-official Industries Committee. A sum of Rs. 10,37,000 has been spent during the past two years for the Village Industries Committee Schemes. A Sarvodaya Scheme has also been planned for selected areas in the province which aims at the general uplift of the areas to be developed and also making them self-sufficient as far as possible.

West Bengal:

The Government of West Bengal are taking steps to develop the following Cottage Industries :

1. Handloom Cotton Weaving.
2. Khadi.
3. Handloom Silk Weaving.
4. Silk Reeling Industry.
5. Rearing Industry.
6. Utilisation of Silk Waste.
7. Wool Weaving.
8. Jute Weaving.
9. Brass and Bell Metal Industry.
10. Cutlery Industry.
11. Horn Industry.
12. Mother of Pearl Button Industry.
13. Tanning and Leather Industries.
14. Pottery.
15. Palm Gur Industry.
16. Handmade Paper Industry.
17. Lac Industry.

The Provincial Government have expressed the view that it is neither feasible nor desirable to make villages self-sufficient and that national welfare will be maximised by promoting the industries in the most economic sites.

United Provinces

The Government of U. P. have inaugurated a large number of schemes to speed up the development of Cottage Industries. The following are some of the important schmes :

1. Development of Khadi.
2. Development of Gur and Cottage Oil.
3. Development of training-cum-production centres in the villages by means of tutional classes.

The Khadi Scheme is being run in very close co-operation with the Gandhi Ashram. The Provincial Government are training villagers in the production of khadi and have made arrangements for the supply of cotton to them and also for the sale of surplus yarn and cloth. The Gur and oil schemes aim at improvement in the production of Gur and oil by means of simple improved appliances and the use of better clarifying agents. Steps have also been taken for stocking Gur conveniently so that the villagers may not have to sell what they produce on account of the fear of deterioration. The tutional classes, 90 of which are already working and 30 more are going to be started shortly, are training-cum-production centres for villagers in important Cottage Industries like Weaving, Dyeing, Carpentry, Smithy, Basketry and tanning.

Central Provinces and Berar

A scheme for the development of oil ghani industry in villages has been started by the Provincial Government. The aim of the scheme is to make villages self-sufficient in their requirements of pure edible oils. They are also considering other schemes for developing villages towards self-sufficiency.

Bihar

The Government of Bihar are organising Multi-purpose Co-operative Societies in large numbers with a view to develop Cottage Industries. Besides these, there are 122 Weavers' Co-operative Societies. The Provincial Government are also pursuing up through Rural Welfare Centres, industries like Paper making, Bee-keeping, Spinning and Weaving.

Orissa

The Government of Orissa are attempting to develop the following Cottage Industries :

1. Salt Manufacture
2. Weaving
3. Spinning
4. Oil Pressing
5. Bell Metal
6. Needle Work
7. Gur
8. Coir

The Provincial Government have made arrangements to supply the villagers with suitable equipment and have also started training Schools to train students in the up to date methods of manufacture. In addition to this, Grants-in-aid are also given to private institutions.

Assam

The Government of Assam are taking steps to speed up the organisation and expansion of the following Cottage Industries :

1. Ceramics
2. Handmade Paper
3. Fisheries
4. Bee-keeping
5. Soap Manufacture
6. Sericulture
7. Handloom Weaving

The Provincial Government is giving industry loans to help in the promotion of Small Scale Industries. Stipends are also given to students engaged in various Cottage Industries. Trading Co-operatives are also organised throughout the Province with a view to provide a trade channel for cottage Industries products.

East Punjab

(Government have taken the following steps to develop Cottage Industries :

(a) An Industrial Development Board has been set up to investigate the extent to which each industry can be developed on cottage basis. Action on some of the recommendations of the Board has been taken. The Board is likely to complete its work in a month or so, after which its other recommendations will be considered.

(b) A scheme to make villages self-sufficient in regard to their cloth requirements, has been introduced as an experimental measure. This scheme will make an unit of 25 villages self-sufficient by organising spinning and weaving.

(c) To encourage Cottage Industries 14 centres with 1000 spinners and 100 weavers have been opened. These will produce cloth for themselves and also for selling to others. One Handloom Marketing Organisation has also been set up. It supplies the necessary designs and the raw materials to the village handloom weavers and gets cloth woven from them through its various branch depots for marketing it after getting it finished. This organisation has been functioning since 1935 and is doing useful work for the village weavers.

(d) A number of stations for producing silk seed has been started. The seed is distributed to the rearers in the villages, who produce necessary cocoons, which are again purchased by the Government and reeled and disposed of further. Sanction has also been given for opening 8 centres, wherein the villagers will collect their dead animals, which will be flayed and the bones, horns, hoofs and skins will be collected separately while the flesh will be converted into manure for the benefit of villagers.

(e) A number of demonstration parties to impart training to the villagers in various crafts that can be taken up on cottage basis like Basket-making, Rope-making, leather goods manufacture, Weaving Dyeing and Calico-printing, Vegetable Oil refining etc., are also functioning.



ERRATA

Page	Line	For	Read
7	16	of	or
7	21	Jagira	Jagirs
10	4	Administor	Administrator
10	31	Govesnment	Government
20	25	revonue	revenue
20	33	perposes	purposes
22	26	49	48
23	4	1951	1961
49	4	procee-	prece-
52	29	preceeding	preceding
57	5	appurenant	appurtenant
58	7	of any	every
65	27	persuation	persuasion
67	24	principal	principle
67	35	lagh	lakh
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96	8	reasources	resources
98	4	coccons	cocoons
99	20	Industries	Industries
100	5	indurtry	industry
103	6	sppinners	spinners
104	6	intorduce	introduce
104	29	concervation	conservation
105	3	<i>insert '(2)' between 'and' and 'to'</i>	.
118	2	lagislation	legislation
119	18	ary	ry
120	18	mere	merely
123	16	resonable	reasonable
123	35	planing	planning
124	31	snbmitted	submitted
125	15	more	mere
131	13	advocatd	advocated
131	17	<i>insert 'such' between 'any' & 'experimentation'</i>	
134	4	conection	connection
137	36	affraid	afraid
144	25	registerable	registerable
146	16	immediately	immediately
153	17	bullock	bullocks

Page	Line	For	Read
157	9	preculde	preclude
163	8	prrvinces	provinces
165	10	nrturally	naturally
167	7	<i>insert 'of' between 'Alienation' & 'Agricultural</i>	
167	8	became	become
167	15	inablity	inability
171	3	orginally	originaliy
175	5	begining	beginning
176	9	<i>delete 'in'</i>	
176	31	folloows	follows
177	19	<i>delete 'only'</i>	
177	27	irrigation	Irrigation
185	9	progressss	Progress
189	7	breading	breeding
194	13	revised	reviewed
198	9	regared	regard
198	26	Join-Stock	Joint-Stock

